Daily Report

Latin America

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Cuba

Raul Castro: Civilians Allowed To Leave

FL1804122994 Havana Radio Progreso Network in Spanish 1100 GMT 18 Apr 94

[Text] Army General Raul Castro has warned that if the United States unleashes a war against Cuba, no matter under what pretext, Cuba would wage a no-holds barred fight against the enemy in every corner of the nation where they may be. The Guantanamo Naval Base would, of course, be no exception, because in the region surrounding it, we have everything necessary to neutralize that U.S. enclave. Raul added that in that case, and as long as the aggression does not originate from that base and the lapsed time is not used to reinforce the base, Cuba is willing to allow the time necessary to evacuate civilians from the base, primarily the spouses and children of the personnel of the U.S. naval base.

In the ceremony held in Guantanamo to observe Militiamen's Day and the 33d anniversary of the proclamation of the socialist nature of the Revolution, Raul stressed that our historic legacy is to fight fiercely for the independence of the fatherland, under highly disadvantageous conditions, against the enemy; to take their weapons; respect prisoners of war; and help injured prisoners. After stressing that our people feel admiration and gratitude toward their brave sons, the members of the border guard troops unit, Raul pointed out that the Revolutionary Armed Forces are proud of the courage, dedication, and discipline of this unit deployed on the front line.

Havana Notes Kim's Rejection of U.S. 'Pressure'

FL1804183694 Havana Radio Reloj Network in Spanish 1407 GMT 18 Apr 94

[Text] DPRK President Kim Il-song has stressed that the DPRK has neither the intent nor the capacity to produce nuclear arms. That would make no sense, he said, adding that the United States is mistaken in thinking that pressure and intimidation can bring the DPRK to its knees.

This statement was made by Kim Il-song in the course of an exclusive PRENSA LATINA interview at the Presidential Palace. During the two-hour interview, Kim Il-song addressed the current tense situation being experienced by the DPRK, relations with the PRC and other countries, foreign investment, and the outlook for reunification of the Korean peninsula.

Kim Il-song also praised the DPRK's ties with Cuba and President Fidel Castro. In a measured and firm voice, Kim Il-song stressed that his government is committed to turning the Korean peninsula into a nuclear-free zone.

Colombian Official Sees Improved Relations

FL1504194794 Havana Radio Rebelde Network in Spanish 1700 GMT 15 Apr 94

[Text] Colombian Deputy Foreign Minister Andelfo Garcia, who is heading the Colombian delegation to the joint Cuban-Colombian commission, has stated that diplomatic relations between Cuba and Colombia have been reestablished in order to preserve and develop them. This is the first bilateral meeting since Cuba and Colombia reestablished diplomatic relations and according to Garcia there were no difficulties in reaching agreements in the spheres of education, culture, sports, tourism, and science.

[Begin Garcia recording] There were no problems in moving forward in all these spheres. The primary difficulty is the reestablishment of regular channels so that these relations can flow freely. It is usually up to the governments to open such channels and allow such relations to be established by initiatives on the part of the two sides. That step has already been taken. [end recording]

Garcia also said that relations between the two countries have been strengthened in a very short period of time.

[Begin Garcia recording] After the visits to Bogota of Foreign Minister Robaina and Carlos Lage, vice minister of the Council of State, relations have been boosted. What we are doing is merely the continuation of those efforts, made at the presidential level through the meeting between President Castro and President Gaviria in Cartagena and later through the visits of Foreign Minister Robaina and Vice President Lage—and now we are meeting in this joint commission. [end recording]

The conversations of the joint Cuban-Colombian commission are to continue in October 1994 and April 1995 in Santa Fe de Bogota.

Sports Agreement With Colombia Signed

FL1604153294 Havana Radio Progreso Network in Spanish 1000 GMT 16 Apr 94

[Text] Colombia and Cuba confirmed their bilateral relations in the sports field with the signing of a two-year sports agreement which includes the exchange of coaches, and information on sciences applied to sports. Luis Alfonzo Munoz, general director of the Colombian Institute for Youth and Sports; and Conrado Martinez Corona, president of the National Institute for Sports, Physical Education, and Recreation, signed the agreement in the presence of Jose Ramon Fernandez, vice president of the Council of Ministers.

In a news conference with the accredited press, Munoz stated: It is the most important agreement that Colombian sports has ever made with a country with as much tradition and experience as Cuba. Munoz went on to say: We are talking about the first country of America in sports and the fifth in the Olympic Games of Barcelona.

I believe the sports movement of my country can benefit from Cuba's important achievements in the field of sports.

Businessmen Meet With Mexican Counterparts

FL1804235094 Havana Radio Reloj Network in Spanish 1930 GMT 18 Apr 94

[Text] The 12th plenary session of the Cuban-Mexican Business Commission, seeking to increase trade relations between the two countries, began at noon today at Hotel Nacional in Havana. The meeting was chaired by Mexican ambassador to Cuba, Carlos Tello Macias.

Emilio Carrero, current president of the Cuban business committee, welcomed the participants at the opening session. Tribute was also paid to the memory of Luis Miguel Porras, Mexican Embassy commercial attache to Cuba, who passed away a few days ago.

Marcos Durante, chairman of the Mexican business committee, outlined the objectives of the meeting to facilitate new business opportunities through bilateral talks.

Porfirio Mederos, vice president of the Cuban Chamber of Commerce, briefly reviewed the Cuban economic situation and stressed the desire to increase commercial relations.

Mexican President Reportedly To Visit

FL1704225394 Havana Radio Rebelde Network in Spanish 0000 GMT 15 Apr 94

[Excerpt] [passage omitted] In Mexico, much is being said about Mexican President Carlos Salinas de Gortari's visit to Cuba, expected to take place by June.

Taladrid Attends Spanish Economic Seminar

FL1804183794 Havana Radio Rebelde Network in Spanish 1700 GMT 18 apr 94

[Text] A seminar on economic issues to be discussed at the upcoming Fourth Ibero-American Summit has started in Madrid with the participation of distinguished Spanish and Latin American specialists. The seminar will last until 21 April and is headed by Salvador Arriola, permanent secretary of the Latin American Economic System. Raul Taladrid, vice president of the State Committee for Economic Cooperation, is among the participants.

Foreign Ministry Official Concludes Omani Visit

FL1504235894 Havana Radio Reloj Network in Spanish 1948 GMT 15 Apr 94

[Text] The official visit to the sultanate of Oman by Cuban Vice Foreign Minister Nicolas Rodriguez [name and title as heard] has concluded. In Oman, Rodriguez met with Yusuf Bin-'Alawi Bin- 'Abdallah, minister of state for foreign affairs. The two officials discussed political ties between the two nations, as well as possibilities for establishing economic ties. Rodriguez also met with other Omani foreign ministry officials and visited sites of economic and historic interest.

Foreign Investment in Oil Exploration Discussed

FL1604165794 Havana Radio Rebelde Network in Spanish 1155 GMT 16 Apr 94

["Our Opinion" commentary by Orlando Contreras]

[Text] Last night, on the "This Very Day" program, Basic Industry Minister Marcos Portal informed the people on the critical situation in the supply of electric energy in the entire country and particularly in Havana City. I believe Portal's detailed explanation satisfies all questions, doubts, criticisms, and complaints on the generating capacity, particularly in Havana City, where in past weeks, unscheduled outages have seriously intensified.

Portal explained the reasons for the increase in outages and the reasons why it is impossible to adhere to a plan of scheduled outages. Tomorrow, Sunday, at 1630 local time Tele Rebelde will rebroadcast that interview. Those who were unable to hear Minister Portal's explanations should listen to the words of the Minister of the Basic Industry. I believe he spoke clearly without rhetoric, without euphoria, and with specific facts. I am not going to summarize his words. It is better that you listen to them without an intermediary.

I am going to refer to one aspect of Marco Portal's discourse regarding the exploration and extraction of Cuban oil. He announced that the drilling of oil wells will begin in diverse areas assigned to well-known foreign enterprises through exploration agreements with the state at their own risk. In other words, the enterprises cover all the expenses until oil is found, if there is any, and after complex research.

It is obvious that these costs are very high. They range from millions to hundreds of millions of dollars. The drilling of oil wells is done only when the research yields positive results. Similarly expensive, and when the existence of oil is confirmed, the phase of preparing conditions for oil exploitation begins next. The fact is that the drilling process in several places is about to begin.

Another fact that to me is of singular importance is that there are several contracts with diverse foreign firms, many of which are European, which are experienced in this type of work. As Portal said, this guarantees that when the United States decides to lift the blockade, U.S. enterprises, many of which are currently very interested in establishing this type of contract, can do so and will join those that already exist. Therefore we will follow a strategy—and I am paraphrasing—that would seem to mark the tone for our foreign economic relations: Never again depend on just one market for supplies to our country or to sell our products. History has demonstrated how risky that can be, especially if that market of buyers or sellers is the U.S. market.

Cuba will not reject U.S. investments that adjust to our laws, but we want to maintain a broad range and never again have only one source. Furthermore, when U.S. enterprises are authorized by their government to trade with Cuba, in other words when the blockade is someday lifted, Cuba will respect the contracts with foreign enterprises that made the investments when the United States prohibited such transactions. It is a principle of ethics and of knowing how to honor the responsibilities acquired.

Day of Solidarity Celebrated in Luanda

FL1804234494 Havana Radio Reloj Network in Spanish 1930 GMT 18 Apr 94

[Text] Angolan graduates from Cuban education centers last week in Luanda celebrated a day of solidarity with Cuba on the 33d anniversary of the Playa Giron victory.

Victor Nataniel Narciso, vice president of the association of former Angolan students in Cuba, has urged the United States to lift the economic and commercial blockade imposed on the island for more than three decades. He said this blockade is the main cause of the complex economic situation in Cuba.

A baseball game was played yesterday as part of the celebration, between members of the Cuban diplomatic mission and members of the Angolan association. This game is considered historical as the first match of this nature played in Angola.

Castro Congratulates Zimbabwe on Anniversary

FL1604002694 Havana Radio Reloj Network in Spanish 1952 GMT 15 Apr 94

[Text] Commander in Chief Fidel Castro has expressed the willingness of Cuba's people and government to expand and strengthen their ties of friendship and cooperation with Zimbabwe.

On 15 April, Castro, who is president of the Councils of State and of Ministers, sent a letter of congratulations to Zimbabwean President Robert Mugabe on the occasion of the 14th anniversary of Zimbabwe's independence, which is observed on 18 April. The letter points out that the Cuban people admire the enormous efforts made by the fraternal nation of Zimbabwe to promote the well-being of its people, who face resolutely every difficulty obstructing their economic and social development.

Robaina Message to Tanzanian Official Delivered

FL1704225494 Havana Radio Rebelde Network in Spanish 2300 GMT 15 Apr 94

[Text] A Cuban delegation visiting the United Republic of Tanzania gave Tanzanian Foreign Minister Joseph Rwegasira a message from his Cuban counterpart, Roberto Robaina Gonzalez.

Power Outages Blamed on 'Malicious People'

PA1804213894 Madrid EFE in Spanish 0548 GMT 17 Apr 94

[Text] Havana, 17 Apr (EFE)—The situation of the national electric power system is one of Cuba's most serious problems, and, given this, it is currenty impossible to eliminate power outages, Basic Industry Minister Marcos Portal said in a lengthy television appearance.

Portal gave a detailed explanation of the causes that have brought the power system to the brink of collapse, and he said that with the measures now being implemented, Cuba might reach 60 percent of its generation capacity by December. During the most critical days, capacity fell to 36 percent, which resulted in relentless power outages, and today, according to the minister, capacity is at about 50 percent.

He said one of the most important steps taken was to improve the working conditions of laborers in this sector, mainly in terms of provisions and incentives. This, along with the startup of two new power plants, the purchase of $10 million in spare parts, and strict control over public and private energy consumption over the next few months, should alleviate the situation by the end of the year.

"There are solutions, but we cannot accomplish miracles," Portal remarked, after pointing out the current crisis has been caused by breakdowns and poor maintenance of the nation's thermoelectric plants, the majority of which are Soviet and Czech built; the country's difficult financial situation; and the use of local crude, whose high sulfur content damages the generators.

According to the minister, the supply of spare parts was interrupted in 1990, and since then the thermoelectric plants have been repaired or maintained with the reserve stock of spare parts. Also, according to the minister, consumption of electricity in homes increased 14 percent over the previous year during the first quarter of 1994, mainly because of the use of electric stoves, which are often homemade, because of a lack of cooking gas, which is very scarce.

"It is not possible for every home to cook with electricity, because the nation's power system could never assimilate the demand," insisted Marcos Portal, after promising that, little by little, the distribution of liquified gas would resume.

He also said "there are no privileges" in terms of power interruptions.

He added that the incidents which occurred over the past few days in some Havana neighborhoods were provoked "by malicious people." Last week, the power outages lasted up to 20 hours in different areas of the capital, which sparked angry protests of residents and incidents in neighborhoods such as Alamar and downtown Havana.

Alarcon Discusses Exiles' Claims to Property

FL1804165194 Havana Radio Rebelde Network in Spanish 0900 GMT 18 Apr 94

[Text] Ricardo Alarcon, president of the National Assembly of the People's Government, in an address at the 6th plenum of the National Association of Small Farmers [ANAP], referred to what it would mean to Cuban farmers if the exploiters from the prerevolutionary period were to return to power. He made reference to two articles in a magazine published in Florida.

[Begin Alarcon recording] Farmers had no showers or proper housing, not because they were simple minded or because they did not care to live any better but because they were being exploited. They were being exploited by those who left Cuba. Now, some of those people are harboring aspirations in the face of the great difficulties and problems that Cuba is experiencing. Some of them are watering at the mouth to take a bite. I do not blame them.

In this magazine there are two articles: The one on the left page is titled "This Land is My Land" and the other is titled "Reclaiming." The first deals with a man who seems to have owned a great mansion in Havana or Havana Province—it is unclear which. He says that his house was awesome—it is apparently now a school—and that his back yard is no longer private [play on words of a children's nursery rhyme] because it is the school's sports field. This seems to bother this man a great deal, people playing and having a good time. The man goes on to explain that when the Revolution collapses his home will have to be returned to him, because it is his home. He says he will regain his house through legal channels because he is civilized, decent, and quiet. He goes on to say that he knows that there are many people in Miami who would go about this in a violent manner, kicking off their properties whoever was living there because those properties still belong to them. They were stolen.

The other article refers to a leader of the association of Cuban landowners in exile; this concerns the ministry of [Alfredo] Jordan. There are people who claim the sugarcane mills and fields, as well as the farms you are now using for miscellaneous crops, which we hope will multiply and grow more quickly and which the ANAP is going to discuss in August. Thus, it is not we who are saying: If the Revolution were to collapse....[changes thought] We do not say this to convince anyone that we must be patriotic, we must be revolutionaries. They are the ones saying and repeating that. [end recording]

Alarcon: No 'Specific Measures' During Assembly

FL1604145394 Havana Radio Progreso Network in Spanish 1000 GMT 16 Apr 94

[Text] During a meeting with deputies, delegates to the provincial assembly, and presidents of the peoples councils of Havana City, Ricardo Alarcon, president of the National Assembly of the People's Government [ANPP] confirmed that specific measures will not be adopted during the National Assembly scheduled for 1 May. He added that the assembly will set the political guidelines that will guide the actions to be taken by the government and the organizations.

TRABAJADORES Stresses Assemblies for Efficiency

FL1804162794 Havana Radio Reloj Network in Spanish 1402 GMT 18 Apr 94

[Text] On 18 April, TRABAJADORES newspaper features an editorial entitled: "Efficiency Assemblies: Getting Going Strong and Right." The editorial states that in difficult and complex times like these, the Cuban union movement approaches 1 May in a period of growth, renovation, and a strengthened role as guide and mobilizer. After stressing the colossal experience of the Parliaments in the Workplace process and the willingness to root that spirit in the life of every work center, the editorial emphasizes the importance of the union leadership's decision to give continuity and shape to this method through the new Assemblies for Efficiency.

The editorial also points out that each of Cuba's 18 unions, in a pilot program, will select two work centers in every province to conduct these assemblies. The 570 Assemblies for Efficiency during the second half of April will be a living laboratory to continue down the road opened by the Parliaments in the Workplace. The editorial adds that it is essential that these assemblies be born strong, vigorous, and well-designed because a good start is important to the success and development of this concept. It will not be a matter of repeating the former production and service assemblies under a new name.

The main difference is that the Assemblies for Efficiency will not hear worker complaints or requests but will discuss and reach specific accords to boost economic efficiency in every work center. The TRABAJADORES editorial points out that this is not a new idea but the latest economic management methods that have resulted in heightened productivity excellence and set a priority on worker participation, interest, and morale. The editorial adds that the most efficient capitalists have recognized the value of these factors and we must learn to take advantage of them, in accordance with our system.

It is necessary to develop the workers' economic information and knowledge and seek and evaluate efficiency on the basis of cost-effectiveness. Along with gradual progress toward linking production and individual and collective motivation, every union leader must focus on the struggle for efficiency.

The TRABAJADORES editorial adds that every manager must learn that the men and women he leads are the primary focus of his endeavor. The editorial adds that we are confident this participative formula will become an integral part of a Cuban, socialist, and efficient economic system.

The editorial points out that, as Fidel has said, economic efficiency will be a more important result that the

streamlining of national finances; thence, the importance of adequately setting up the Assemblies for Efficiency, which will not follow a preconceived plan and to which the quality of management's reports will be vital.

The editorial also points out that everything learned in the workers assemblies helps bolster this new effort. It is necessary to personify the Assemblies for Efficiency into what Fidel called the "brilliant economist"—the sum of every workplace. The editorial closes by stressing that Cuba, the Revolution, and our people need this without delay.

Basic Industry Minister on Oil Exploration

PA1804141394 Havana Radio Havana Cuba in Spanish 0000 GMT 17 Apr 94

[Report by Mario Munoz for the "Evening Information Review" newscast]

[Text] Cuban Basic Industry Minister Marco Javier Portal appeared on the "This Very Day" national television program to explain the reasons behind the island's difficult energy situation. He also took the opportunity to talk about oil exploration and future projects.

[Begin Portal recording] We divided the island, both land and sea, into some 26 blocks to search for petroleum. We negotiated with several companies to invest in this search. This is related in one way or another to the energy crisis and the national situation. Why do I say that? Because this is one of the most difficult business ventures whereby foreign companies risk tens of millions of dollars in investments in the first phase and hundreds of millions in the second phase. In one way or another, these companies have already invested more than $50 million in the Cuban oil business. The amount already invested in oil exploration is close to $100 million. These companies make investments. If they find oil they will recover their investments, depending on the volume and quality of the oil found. If it is a big field of good quality oil, 90 percent of it is for Cubans and 10 percent is for the foreign company. During the investment recovery period, the ratio is 50-50. Once the investment is recovered in the first years, depending on oil volume and quality. [sentence as heard]

Of the world's seven most industrialized countries—meaning the United States, Japan, Germany, and others—three are already investing in Cuban oil exploration; specifically, France, Canada, and the UK. I do not think it is a secret that the UK is the United States' most important ally. The UK is a country whose parliamentary institutions, the House of Lords, for instance, have publicly addressed its relations with Cuba. It is interesting to see how some British politicians and businessmen analyze U.S. policies toward Cuba and how they perceive that the North Americans have two intentions toward us: the obvious political intention to try to destroy the Revolution at any cost, and the economic intention to prevent other countries from investing here. The British have taken a step forward. One company has already hired an (?oil explorer). In short, there are four countries investing here: France, Canada, the UK, and Sweden.

I am not talking about the U.S. Government. I am talking about the U.S. oil tycoons and the U.S. oil, mining, metallurgic, and tourism industries, which have expressed their concerns about not being able to invest here. They are aware of this and want to be allowed to invest here because they attended the meetings we held in Calgary, Canada, and London, where our comrades made offers. The U.S. companies obtained information there and learned about what is going on in Cuba. In other words, they are eager to invest here. I am not talking about the U.S. Government, whose attitude is determined by other considerations. But there is a great deal of interest on the part of U.S. investors. We confirmed it. [end recording]

Minister Portal also explained to Cubans the methods and techniques used to find oil.

[Begin recording] [Portal] We are currently searching for oil in all these blocks. We are using the seismic method in several blocks. The seismic method is important because it uses the age and geologic features of surrounding terrain to determine the best place to explore. If nothing is found, there is no drilling. This is the first step, a guiding point. Millions of dollars are invested in the first step. We need specialized ships for ocean exploration. High technology equipment currently being used in Cuba is needed for land exploration. The country has widely used this sophisticated equipment, which adds to the information that we collected for many years with the former Soviet Union during ocean and land exploration. We have seismic information about the geological features of solid minerals and oil. This information is very useful as we move forward so quickly. Currently, we have [words indistinct] already hired.

As for the seismic method, we have found formations similar to those found in other oil-producing countries in some blocks. These structures must be drilled. Drilling is already under way at sea. In the next few days, these companies will start drilling on land. If there were no possibility of....[pauses] The drilling shows if underground sedimentary rocks that are about the same age as rocks found in other oil-producing countries and which are constantly moving as the earth ages are oil rich or not. There is no doubt that Cuba has oil. It has enough oil to produce 1.2 million tons this year, and there are possibilities of producing even more in the future.

That is all I can tell you for the time being about the seismic method. I repeat: Drilling in those places is already under way. We no longer have abstract hopes; we now have tangible hopes.

[Unidentified reporter] What type of hopes...

[Portal, interrupting] I also want to say that if there is an oil well, we must determine how much oil it has and then

build three or four more wells, depending on oil volume estimates. Then we can begin tapping oil. This operation could last two or three years depending on the features of the place.

These companies perform other tasks that give us an idea of how promising the Cuban oil industry is. The old Soviet technique was used in old oil wells that are now being tapped by foreign companies. Such companies have taken wells that used to produce 30, 20, 15, or 10 tons of oil and, using modern technology, significantly increased production to 60, 70, or 80 tons of oil in some wells. This increase that Cuba would never have been able to produce is shared with that company. Base production, however, is not shared; it remains ours. It is shared if production increases. The Cuban oil industry has many possibilities, and we are enjoying them. Every time you conduct this type of business in the oil and nickel industry, in mining, in the search for precious metals, or in tourism with non-U.S. companies, you feel pleased. It is more than pleasure; it is the certainty that we will not have to conduct this type of business with U.S. companies only. [end recording]

Portal also talked about the trust that foreign investors have in doing business with Cuba.

[Begin Portal recording] These companies have noticed that we Cubans are loyal. Cuban loyalty is already a tradition. We are loyal even to our African ancestors. Regardless of whether the United States lifts the blockade, serious capitalists and representatives of prestigious firms sense that when we conduct business with one of them, we will never betray them, nor will we break their contracts. Very serious people in the world approach us. We are 29th on the list of countries where one can invest safely. Many nations, whose names I refuse to mention, are below us. I believe the media has already made this list public; it will probably make it public again. I am sure the media will comment on it, because it is a very important achievement. We are close to the United States, and we are the most promising country to import [sentence as heard]. This confirms our people's willingness to fight and excel. [end recording]

Commentary Examines Effects of Oil Shortage

PA1604231094 Havana Radio Havana Cuba in Spanish 0000 GMT 15 Apr 94

[Commentary by Miguel Angel de la Guardia from the "Evening Information Review" newscast]

[Text] There is no doubt that the shortage of oil and oil by-products is the main economic problem Cuba is currently facing. It is the main hardship of the so-called special period in the aftermath of the sudden fall of eastern European socialism, particularly the fall of socialism in the former Soviet Union. This lack of oil has had a widespread effect on all types of transportation services, because Cuba has largely relied on automotive transportation, which requires not only fuel, but also lubricants and other important products.

The sugar industry, the most important industry in Cuba, which is the world's largest sugar exporter, cannot run without petroleum. However, many sugar refineries are using bagasse as the main source of fuel for their boilers.

In addition, the country's electrical industry also needs hydrocarbons to generate energy. Cuba, a small country that lacks large rivers and waterfalls needed to build hydroelectric plants, has only two alternatives: thermoelectrical plants, which also need oil, and nuclear plants. The construction of the nuclear plant in Juragua, in the central region, was halted when it was almost finished, because the mighty Soviet state, which was helping Cuba build its first nuclear plant, suddenly disappeared. Thus, the Cuban Government is feverishly negotiating with other countries to complete this project vital to the national economy. This lack of electricity introduced a new predicament to the Cuban population, which is exposed to daily power outages that last several hours, usually at times when it is most needed.

These brief examples allow us to visualize the problems the Cuban nation is currently facing, because the world's largest power is economically blocking and harassing it to subjugate the political resolve of the Cuban population. Cuba, along with several European and American countries, has given oil exploration a large impetus. Cuba has also been able to significantly increase national crude production since 1959, when the revolution succeeded.

Oil production is expected to amount to 1.3 million tons this year and will continue to grow in the future. Large amounts of this oil used to generate electricity are too heavy and require special treatment to reduce the number of breakdowns in the industry's already worn-out equipment.

Cuba also signed an important agreement with Russia to exchange 2.5 million tons of oil for 1 million tons of sugar this year. In addition, a joint operation with Mexico is already under way to jump start the Cienfuegos oil refinery, part of whose output will be bought by and consumed in that country.

After the incident of an alleged meeting that Colombian guerrillas held in Havana, which jeopardized the recently established relations between the two countries, there is a possibility that Colombia will sell some 120,000 barrels of crude oil daily to Cuba within the framework of a transaction exclusively regulated by international trade guidelines. Other efforts are already under way but have yet to materialize. It is expected that the Cuban economy will experience some kind of relief this year and will begin surmounting the crisis caused by the latest political upheavals.

Lezcano Participates in Militiamen Ceremonies

FL1804144794 Havana Radio Progreso Network in Spanish 1100 GMT 18 Apr 94

[Text] On 17 April, militiamen and reserve troops promotion and award presentation ceremonies, as well as regional defense system exercises, were held as part of Havana's defense day in tribute to the Giron victory. The ceremonies were held in 10 de Octubre, Guanabacoa, and El Cotorro Municipalities.

Jorge Lezcano, member of the Politburo and president of the provincial defense council, and Brigadier General Samuel Rodiles, a member of the Central Committee and deputy chief of the Western Army, were in attendance.

At the ceremony in Hermanos Gomez Polytechnical School, 10 de Octubre Municipality, Lezcano stressed the praiseworthiness of the thousands of Havana residents who are, in the midst of severe economic limitations, preparing militarily to save the fatherland and the Revolution.

Raul Castro Chairs Anniversary Ceremony

FL1604181894 Havana Radio Rebelde Network in Spanish 1700 GMT 16 Apr 94

[Text] Army General Raul Castro Ruz, minister of the Revolutionary Armed Forces, chaired the national ceremony marking the 33rd anniversary of the proclamation of the socialist character of the Revolution and combatants day. More than 6,000 people participated in the popular gathering where a military review was held. The review was brightened with patriotic poems and songs as well as typical elements of the national culture.

The Mariana Grajales Plaza of the Revolution in Guantanamo City also served as the site for the promotion ceremony of reservists and combatants and the decoration of combatants that served important missions along the perimeter that borders the Yankee naval base. The occasion also served to award outstanding people and institutions, with a replica of Maximo Gomez's machete for their excellent work in the cultural field. The ceremony was held outside of La Fortaleza de la Cabana for the fist time.

Raul Castro Sends Letter of Recognition to Canecutters

FL1804235194 Havana Cuba Vision Network in Spanish 2220 GMT 18 Apr 94

[Text] Army General Raul Castro Ruz, minister of the Revolutionary Armed Forces, has sent a letter of recognition to members of the the Roberto Rodriguez brigade of volunteer canecutters for their achievements in the current harvest. This brigade is cutting cane in Camaguey Province, which was awarded millionaire status in the manual cutting of sugarcane.

In the province of Camaguey, 25 brigades of canecutters have managed to cut one million arrobas during the current harvest, while another group is on their way to cutting a third million. Considering these results, Camaguey has obtained the status of millionaire in manual canecutting.

[Begin unidentified worker recording] All comrades here are willing to cut to the last sugarcane for this harvest. This shows that victory is achieved when there is the willingness and desire to fight for this Revolution and to bail the country out of its current situation. [end recording]

Haiti

Minister Urges 'Clean Sweep' Crisis Solution

FL1804222894 Port-au-Prince Radio Metropole in French 1045 GMT 18 Apr 94

[Passage within italic in Creole]

[Text] Minister of Commerce and Industry of the resigning government, Louis Dejoie, has recommended the clean sweep solution to the situation's stalemate. Invited on 16 April to the program "Meeting on Metropole," the president of the National Agricultural and Industrial Party, PAIN, proposed option zero, the only means, according to him, of solving the crisis in view of the refusal by the protagonists to meet around the table. Let us listen to Louis Dejoie:

[Begin recording] [Dejoie] *As a leader of a political party, I have said that the power is in the streets. If we cannot find a solution, well, gentlemen, we should have a clean sweep, send everyone home and start at zero, as the CNG [National Government Council] did. It is the only way, because as I said... [pauses] I believe that President Firmin Jean-Louis confirmed what I said—that elections will soon be held. The people will thus hear about all the crooked dealings during those two years, and will go to elections because in November, there will be no Chamber, no communal mayor, no CASEC [Communal Section Administration Council]. No political or administrative institution will remain in the country. What are we therefore going to do? We have no constitution.*

[Reporter Renois] *Mr. Dejoie, you recommend the clean sweep. Does that not refer to the application of Article 149? To whom should power be given for the holding of general elections in the country if we must choose this path?*

[Dejoie] *We had already done something by putting Mrs. Trouillot in power. I believe that if all the democratic political parties meet around a table and we realize that the solution lies in reshuffling the cards, in restarting at zero so the people can resume participation—but this time, in a methodical way, not by worsening a situation [mete abce sou clou]: To tell me a month before elections a man is chosen as a presidential candidate who, became president like a chance mishap—it is a mishap in Haiti's history to have Aristide as Haiti's president—he came with no political project, no political party. He was put up as president*

because he found a hat called FNCD [National Front For Change and Democracy], a rooster was placed before him, and a month later he was president.

[Renois] *I see you with a booklet with President Aristide's picture. This contrasts with your position?*

[Dejoie] No, on the contrary. I even told the president that the reason I participated in this concord government was my reading of this booklet called, "For a New Start," which included proposals for a program's general framework, and for a government of overture. I found in it 90 percent of the social projects PAIN supports. Everything that he wrote there are formidable, extraordinary things. *If everything included in this booklet could be achieved, we would no longer have problems in Haiti.*

[Renois] *What prevents those things from happening?*

[Dejoie] *It could be the ambitions of one man, who wants everything for himself.*

[Renois] *Could one believe that there is a curse on this country and on the political men of this country?*

[Dejoie] *Oh, yes! There is something like a curse, despite all the prayers. I myself am a very fervent Catholic. Every morning, every Sunday, I kneel before my bed and pray. But still, I can find no solution. Perhaps God does not want...*

[Renois, interrupting] *Or should one think like this American diplomat who said that Haitians have a chromosome more or a chromosome less?*

[Dejoie, laughing] *Frankly I would not want to fall into a controversy right now, but I can tell you simply that we political leaders are missing something because we still cannot agree with one another.*

Agreement is easy, gentlemen: Gather the 16 political leaders around a big table—whether they are neo-Duvalierist, PAIN, Aristide, or anyone else—there is only one common denominator: Haiti. We were saying the other day that even we have lost enthusiasm. The people do not understand what is going on. They are dying of hunger because two people are fighting, or four Haitians got together and are oppressing us. The international community worsens the situation, adding fuel to the fire until we cannot agree with one another.

I must tell you that the Americans are looking for something that we do not know about. Is it uranium that we have in our ground? I do not know. Why is it that they keep annoying us and that we cannot find a solution? Everytime we are close to the solution, something else comes up.

[Announcer] Louis Dejoie, minister of commerce and industry, was the guest of the broadcast, "Meeting." It should be noted that the minister of commerce defended himself in a letter to the president-in-exile. Louis Dejoie asked Father Aristide for rectification after Aristide called Dejoie a traitor, accusing him of selling or renting a part of the national territory in the case of Port-Tortuga S.A. Dejoie confessed, however, that Prime Minister Robert Malval had reproached him for not submitting the Tortuga case to the Council of Ministers of the resigning government.

Deputy: Implement Article 149 To Avoid Explosion

FL1804175494 Port-au-Prince Signal FM Radio in French 1030 GMT 18 Apr 94

[Excerpt] Cap-Haitien Deputy Jacques Lafleur says the Haitian parliament must strive to resolve the crisis in order to avoid a social explosion. Lafleur calls on his peers not to wait for the solution to come from abroad. The country must be saved, he said before concluding, quote: If President Aristide refuses to appoint a new prime minister, the parliament must implement Article 149 of the Constitution. [no ending quote as heard] [passage omitted]

Monde To Initiate Talks With National Groups

FL1804175294 Port-au-Prince Signal FM Radio in French 1030 GMT 18 Apr 94

[Excerpts] This week, the president of the lower chamber, Robert Monde, will have to set about a series of consultations with the various sectors of national life on the political crisis the country is experiencing. This was confirmed through a news release dated 15 April and released by Emmanuel Reyme, first secretary of the Chamber of Deputies. The great bodies of the state, the employers' associations, the protesters, and the various political groups will be consulted on a solution to the political problem. At around 1100 this morning, the office of the lower chamber will meet with the Haitian Chamber of Commerce and Industry before beginning consultations with the employers' associations this afternoon at 1500, according to the timetable sent to the media by Reyme.

The public was previously informed of this during the address to the nation on 13 April. In his message, Monde noted the institutional vacuum created by the refusal of the president in exile to appoint a new prime minister. [passage omitted]

Let us recall that the political parties gathered under the Coordinating Committee for National Mobilization called Monde's initiative maneuvers and a return to the starting point. According to [Hubert] de Ronceray, Monde is desperately trying to exhume the null and void Governors island Agreement.

For his part, National Assembly President Firmin Jean-Louis keenly deplored the fact that Vice President Monde had unilaterally decided to address a message to the nation and to initiate consultations without bothering to send him the outlines.

Senate President Travels to U.S. To Meet Aristide

FL1804172494 Port-au-Prince Radio Metropole in French 1045 GMT 18 Apr 94

[Text] The president of the normal Senate has traveled to the United States. Firmin Jean-Louis departed Port-au-Prince on 15 April for Washington. The president of the normal Senate is scheduled to confer with President Aristide on the crisis. Senator Jean-Louis is also to go to Chicago to meet with American personalities.

Before leaving Port-au-Prince, Sen. Jean-Louis proposed that the deputies pass the amnesty law before the nomination of a prime minister by the president in exile.

Economic Director: OECD Admittance Terms 'Minimal'

PA1704172994 Mexico City NOTIMEX in Spanish 0915 GMT 14 Apr 94

[Text] Mexico City, 13 Apr (NOTIMEX)—Daniel Dultzin, Mexican Foreign Relations Secretariat economic director, said that Mexico made "minimal" commitments and agreed to pay an annual membership fee of $2.6 million to join the OECD.

The official added that the commitments were assumed with [word indistinct] in the legislation and the Mexican economic situation and that equitable treatment was also considered, as well as advancements in economic deregulation insofar as economic, political, and legal conditions allow.

He said that among the most difficult requirements Mexico must meet is to achieve strong, sustained growth [words indistinct] to ensure that foreign businessmen will have greater freedom to conduct all types of business in Mexico.

Dultzin also said that Mexico will receive the same treatment as other members [words indistinct] of the activities [words indistinct] Mexicans in those nations.

As for the membership fee, Dultzin, who has also served as technical coordinator for Mexico's integration process with the OECD since 1993, emphasized that the members' annual contributions, determined by GDP, population, and exchange rate, finance the organization.

He also pointed out that joining the international organization could mean that the Mexican public debt will go from a 100-percent risk factor [ponderacion] to being risk free, as is the case with the U.S., German, French, and British debts.

Loans extended to Mexican banks, instead of being subject to a 100-percent risk factor, as is currently the case, would only be subject to 20 percent. Dultzin explained, however, that the country will not receive the benefit automatically.

Mexico had to take several measures to be accepted into the OECD, such as adjusting [words indistinct] and satisfying minimum maritime transportation safety requirements.

Dultzin indicated that Mexico's deep sea fishing fleet meets current safety requirements, while the country's freighters will be given a stipulated period of time to fulfill the requirements.

He added that consultations were made with the United States and Canada to solve issues related to the automobile industry included in the free trade agreement negotiations.

The Mexican official indicated that Mexico's OECD admittance date, 24 March, had been anticipated from the beginning of the year, which encouraged more long-term confidence and self-confidence among Mexicans.

Mexico established relations with the OECD in 1982 after joining the organization's Steel Committee, where it gradually increased its participation until it was finally accepted in 1990 as a full member.

In 1991, arrangements were made for an OECD mission [words indistinct] after which Mexico was accepted as an observer in several of the organization's committees.

Secretary: OECD Membership Recognizes Gains

PA1704180794 Mexico City Radio ACIR Network in Spanish 0410 GMT 16 Apr 94

[Report by Elvia Moreno de la Vega]

[Text] Foreign Relations Secretary Manuel Tello Macias said in a brief interview at Mexico City's international airport upon returning from Paris that Mexico's admittance to the OECD is not a cure-all but a recognition of Mexico's democratic and economic pluralism. He said the act signifies acceptance of Mexico's respect for human rights and the opening of various markets. Manuel Tello also assured that Mexico will continue developing in order to meet the needs of the Mexican people, who still lack the most basic necessities.

[Begin Tello recording] It is recognition of our policies to establish a market economy; it is recognition of the democratic pluralism in Mexico; it is recognition of Mexico's respect for human rights. Those are the three conditions for entry into the organization, and we have met them. [end recording]

Tello also emphasized that Mexico's admittance to the OECD was by consensus and in recognition of President Salinas de Gortari's economic policies.

The foreign relations secretary added that he did not believe that the Chiapas events would affect Mexico's image abroad.

Human Rights Agreement Signed With Guatemala

PA1604010894 Mexico City UNOMASUNO in Spanish 11 Apr 94 p 8

[Text] Jorge Madrazo Cuellar, president of the National Human Rights Commission (CNDH), and Guatemalan Human Rights Ombudsman Jorge Mario Garcia Laguardia yesterday signed a cooperation agreement to conduct research, exchange information, and publish material which supports the work of institutions devoted to the defense, promotion, and respect of human rights in Mexico and Guatemala.

The CNDH reported specific actions to be conducted by the respective ombudsmen include courses on human rights, cooperation, exchange of information and experiences with similar institutions in other countries, and

research and attention to Mexican and Guatemalan immigrants' problems regarding human rights.

Information Exchange Accord Signed With Costa Rica

PA1904032394 Mexico City NOTIMEX in Spanish 2046 GMT 14 Apr 94

[Text] Mexico City, 14 Apr (NOTIMEX)—The National Foreign Trade Bank (Bancomext) and the Chamber of Representatives of Foreign Enterprises (Crecex) have signed an agreement to exchange information on statistics and customs duties systems.

Bancomext issued a communique stating that it will make arrangements for Crecex to access Bancomext information to locate foreign trade business opportunities through its Foreign Trade Service Center [Centro de Servicios de Comercio Exterior]. The Costa Rican organization will provide information on the demand for Mexican products in that Central American country and on biddings by public and private organizations, as well as everything regarding the customs duties system and foreign trade statistics.

This first agreement was signed within the framework of NAFTA to strengthen and broaden economic relations between Mexico and Costa Rica and to contribute to regional development. Bancomext Assistant Director Humberto Molina Medina and Crecex President Gerardo Loria signed the agreement during a visit to this country by a group of Costa Rican businessmen. The objective of the visit is to contact Mexican suppliers of chemical, plastic, and pharmaceutical products, printing paper, and auto parts.

Zapata Lives Opens Talks With Government

PA1804170294 Mexico City UNOMASUNO in Spanish 13 Apr 94 p 7

[Report by Griselda Sierra Valencia]

[Text] Leaders of the Coordinating Board of the Zapata Lives National Liberation Campaign [Coordinadora de la Jornada de Liberacion Nacional Zapata Vive] has announced that it has opened talks with Government Secretary Jorge Carpizo, but the two side have not yet begun to discuss issues related to the demands presented by the various peasant organizations.

During a news conference, the leaders of the organization indicated that they are more than willing to continue the dialogue. They also reported the existence of provocateurs who have met with the Civilian Society Bureau [Mesa de la Sociedad Civil] installed in Mexico City's Zocalo District to create problems and thereby justify any aggression against the peasants and Indians who are awaiting a reply from the government.

Genaro Dominguez, adviser to the National Coordinating Board of United Indian People (CNPI), said, "Those of us here have been angered by this situation, and yet no one will force us into any provocation that would justify aggression against the Indians and peasants."

Earlier, peasant leaders disclosed that today at 1200 they would head to the Chamber of Deputies to present several proposals aimed at reforming Article 27 of the Constitution.

They insisted that the camp they have erected in Zocalo will remain there. They also indicated that they plan to wait until Government Secretary Carpizo announces when panels will be formed to discuss problems reported by the various peasant organizations.

Meanwhile, Francisco Jimenez Pablo, representative of the Chiapas State Council of Indian and Peasant Organizations (CEOIC), denied that property seizures are being organized by ranchers and landowners themselves. He insisted that this is just a rumor being spread by the state government "as an excuse not to resolve the land problem."

Electoral Institute Approves Zedillo Registration

PA1604001694 Mexico City Radio ACIR Network in Spanish 0000 GMT 14 Apr 94

[From the "ACIR Radio News" newscast]

[Text] Today the General Council of the Federal Electoral Institute approved without reservations Ernesto Zedillo Ponce de Leon's registration as the PRI [Institutional Revolutionary Party] presidential candidate.

Zedillo, among other activities, met very early today with Mexico City newspaper vendors on the streets of Bucareli. This afternoon he also met with PRI women.

IFE Extends Deadline for Reviewing Voter Lists

PA1604035694 Mexico City LA JORNADA in Spanish 14 Apr 94 pp 1, 12

[Report by Rosa Icela Rodriguez]

[Excerpt] In an effort to make the voter lists for the 21 August elections more trustworthy, the General Council of the Federal Electoral Institute [IFE] has unanimously agreed to extend the deadline for reviewing the names of citizens on the lists until 30 April. It also agreed to change—with only two votes against—the conditions for bidding by Mexican and foreign firms for the right to conduct an independent audit of the lists.

After promising that the definitive lists of names will be turned over to the parties before the scheduled date, Government Secretary Jorge Carpizo McGregor said the Mexican Government "is determined to provide all instruments that can yield trustworthy results so that everyone can overcome this air of distrust."

IFE members unanimously approved the PRI presidential candidate's replacement. Jorge Carpizo, president of the General Council of the IFE, submitted candidate

Ernesto Zedillo's legal registration to Humberto Lira Mora, electoral action secretary of the PRI. Those present at the session, at Carpizo's request, marked a moment of silence in memory of Luis Donaldo Colosio.

After voting against an independent audit, Party of the Democratic Revolution [PRD] Deputy Roberto Robles Garnica, minority representative in the Senate, said such an audit will prove "useless" because "it is designed to be more of a justification than an improvement in the credibility of the electoral lists." He added that by the time the audit is completed, "we will not have time to use it" to make corrections.

PRI adviser Salvador Rocha Diaz denied that the "electoral lists are incorrect," and he accused the PRD of having assumed a "dubious position." He said "it is a serious thing" for the party "to already be preparing to reject the election results."

Following a long debate in which an independent audit of the electoral lists was approved, Carpizo thanked the members of the Independent Audit Technical Council for their work and added: "The work done by the 11 scientists contrasts the work conducted by other Mexicans whose cooperation was requested and who have haggled about their time." He did not go into any details about who he was referring to.

Carpizo also announced that starting today the electronic media will broadcast messages from the nine presidents of the political parties in which they will invite their supporters to verify the electoral lists in their respective centers. As of yesterday, six party presidents had already recorded their messages.

The official later said that, following demands from the parties—"which, in my opinion, are correct"—they will be given definite party member lists before the scheduled date to give them enough time to review the lists. He explained that this decision will require a reform of the Cofipe [Federal Code of Institutions and Electoral Procedures], for which there is a consensus. Nevertheless, he said this would require reducing by approximately one month the deadline to deliver credentials with a photograph.

He explained it will also be necessary to launch a large-scale effort to enable the people to immediately pick up their voting credentials, and he calculated the first voter lists could be delivered by 1 August.

The agreement approved by the parties indicates an external audit will review and evaluate the voter lists, the credentials with a photograph, and the receipt of credentials and party member lists.

Carpizo admitted that the external audit may reveal "mistakes in the voter lists involving dead people and changes of address," but, he said, "I thought about this before accepting this post because, if this was going to be one of the daring adventures of my life, I would not work with voter lists that did not allow me personally to be confident."

The debate between Carpizo and the PRD representatives became difficult at times, although the tone was more conciliatory in later sessions. This session was not attended by PRD leader Porfirio Munoz Ledo. Senator Robles Garnica, coordinator general of Cuauhtemoc Cardenas' campaign, attended in his place. [passage omitted]

Political Crisis Prompts Capital Flight

PA160023094 Mexico City EL FINANCIERO in Spanish 11 Apr 94 p 8

[Article by Gustavo Lomelin]

[Text] Guadalajara, Jalisco, 10 Apr—Behind the backdrop of the 35th annual Assembly of Governors of the Inter-American Development Bank (IDB), Mexican authorities are striving to guarantee economic stability to foreign investors. They can no longer, however, hide the fact that the political crisis is now stirring up a financial crisis in Mexico.

In fact, President Carlos Salinas de Gortari is starting to lose control of financial variables [variables] because his main U.S. allies feel deceived. Moreover, an outflow of about $6 billion shows that local and foreign capital has already cast its vote against Ernesto Zedillo Ponce de Leon, the new PRI [Institutional Revolutionary Party] candidate for president.

Currently, there is a dangerous paradox that could prompt a new crisis now that the current six-year period is drawing to an end: Zedillo guarantees economic continuity and offers security to large-scale capital in the long run, but, in the short-term and midterm, he cannot offer leadership or confidence.

The goal of this capital flight is not, specifically, to reject Zedillo, but the fact is that domestic and foreign circumstances are making it difficult to create a stable atmosphere for investment. Doubts are emerging over Zedillo's political sense and his ability to maneuver in a complex electoral process characterized by division and struggles within the PRI. Mexico also is facing a dubious investigation into the assassination of Luis Donaldo Colosio amid a yet-to-be-clarified plot that presages new outbursts of violence, as well as a conflict in Chiapas that threatens to drag on as long as a dying system that resists political and social opening continues to lean toward a harsher, authoritarian line in order to survive.

If there are additional indications of a vicious circle characteristic of a politically insensitive state and worsening social decomposition, the first fallout could be a financial crack [previous word in English].

Increasing interest rates in the United States and political uncertainty in Mexico are inspiring additional hikes in domestic interest rates, which in turn discourage private investment and economic growth. This will lead to higher unemployment, low consumption, and growing social pressure that will reinforce political instability.

It might seem pessimistic to say this, but our undeniable national reality is frightening investors. Confidential data available to this reporter indicate that eight out of 10 businesses have stocked up [se han cubierto] on dollars. For the first time in years, the country began to experience capital flight last month, and the outflow reached nearly $6 billion by 8 April. The country's international reserves, estimated in late February at $28 billion, have dropped by a comparable amount. This has virtually nullified a line of credit the U.S. Treasury Department and Federal Reserve have granted Mexico.

The peso has lost 8.3 percent of its value and is currently near the ceiling of the range of floating rates. This and no other reason explains why interest rates on 28-day treasury certificates have increased from 8.81 to 14.31 percent within the past 40 days. At the expense of the domestic market, the Mexican Government is trying to retain investors by offering then outlandish incentives.

Former "allies," however, are no longer seeking high financial or speculative profits. Instead, they are now looking for safety and security that the former Mexican "miracle" can no longer guarantee. All quarters feel deceived. Two events have coincided to create this sentiment.

1. One day after Colosio's assasination, Pedro Aspe, Miguel Mancera, Guillermo Ortiz, and Jose Angel Gurria tried to get the Federal Reserve and U.S. Treasury to extend their lines of credit from $1 billion to $6 billion.

The White House became concerned over the impact a devaluation could have on the Mexican economy. However, on 28 March, THE WALL STREET JOURNAL said: "Mexico managed to maneuver behind the scenes, and a secret agreement prevented panic from seizing the market."

With this information leaked by Mexican officials, the U.S. House of Representatives Energy and Trade Committee, headed by John D. Dingell, is investigating Treasury Secretary Lloyd Bentsen and Stock Commission President Arthur Levitt on suspicions of having improperly suspended Mexican shares on the U.S. market.

Bentsen is quite annoyed over the leak because the Mexicans violated a secret gentlemen's agreement, and he may refrain from promoting the $20 billion line of credit the Mexican Government is negotiating with the World Bank and IMF to avoid a financial crack [previous word in English] in the country, which will take several months despite efforts by Jose Cordoba, Mexico's representative at the IDB.

2. From the evening of 23 March until Holy Week, the highest-ranking officials of the Mexican financial sector assured employees, bankers, and consultants for U.S. investment funds that Colosio's death was the product of the "sick mind of a crazy assassin who read books on Marxism-Leninism, and not a plot," but on 4 April, Assistant Prosecutor Miguel Montes officially admitted that Colosio was the victim of "a planned action."

The U.S. financial sector (capital) is also annoyed by what it considers a betrayal, and it has noted that its contact in Mexico (the financial sector) is unrealistic. This has led to the flight of U.S. capital, which is also being prompted by other fears: How will the electoral process turn out? How much rope will Salinas give Zedillo? What will happen between now and 21 August and from 21 August through 1 December?

After all is said and done, it is undeniable that with the same frivolity that Lopez Portillo staked the country's future on would-be and thwarted wealth from oil, Salinas de Gortari has staked the country's inclusion in the First World on the Mexican Stock Market. The greater the risk, the greater the gain or loss. What else can I say? Those are the rules of the market.

No Changes Planned in Growth, Inflation Targets

PA1804184094 Mexico City LA JORNADA in Spanish 13 Apr 94 p 46

[Article by Raul Llanos Samaniego]

[Text] Industry Undersecretary Fernando Sanchez Ugarte has said that "the political situation is becoming stable," and, therefore, there will be no permanent repercussions on the economy. Sanchez Ugarte added that the federal government has not "yet" considered making any changes in its targets regarding growth and inflation.

Fernando Cortina, president of the Confederation of Industrial Chambers [Concamin], noted that the today's "moments of political tension" might affect economic prospects, and, therefore, "we should not be confused by rumors," because only by "visualizing the type of country we want in the future" will we be able to eradicate "the signs of violence and antidemocracy that pervade these times of confusion."

Meanwhile, Enrique Aranzabal, president of the National Chamber of the Textile Industry [CNIT], said during an interview that in light of political uncertainty in the nation, "it will be difficult to meet official economic targets."

During the regular General Assembly of the Textile Chamber, Sanchez Ugarte pointed out that the federal government is determined to stay the course in terms of its macroeconomic program, anti-inflationary policies, and healthy public finances.

"We hope that all macroeconomic factors continue to hold steady and that the economy remains stable," Sanchez Ugarte said at the end of his speech.

Sanchez Ugarte expressed his confidence that the GDP will increase by 3.5 percent, and he added that "no changes have been made yet" to meet this target.

Asked about the national industrial situation, he commented that there are no current figures on industrial performance at this time, but he indicated that in

December 1993, manufacturing sector began to recover. He also expressed confidence that figures for the first quarter of 1994 will reflect an improvement over previous months.

In terms of job creation, Sanchez Ugarte noted that today the industrial sector provides employment to approximately 3.5 million workers, and "in 1994, this sector could generate 150,000 jobs."

Meanwhile, Concamin leader Fernando Cortina underscored that the intensity of the globalization process is not only reflected in greater economic competition, but also in the exacerbation of social problems, "which hint the turn of the century will be shaken by unemployment, plummeting investment, economic slowdown, volatile financial markets, the internationalization of new commercial agreements, and the general use of violence as a means of political pressure."

In Mexico's case, Cortina maintained that in light of "uncertain times," it is commonplace to emphasize the negative aspects of a period of tension. However, he added that the country's industrialists "must trust in Mexico, considering the progress accomplished, and they must also, in all seriousness, continue to press for those goals that remain unresolved."

Cortina added: "We should not be confused by rumors. Conditions for economic stability exist, and if we trust in Mexico, we will overcome the uncertainty of having little time to lead the country along a path of environmentally sound, sustained growth."

Along this line, Cortina urged the national business community to maintain its trust in the future of Mexico, because, through hard work, it will be possible to achieve the proposed 4.2-percent average industrial growth.

Cortina concluded: "Let us not lose our objectivity, and let us keep working on what we know how to do efficiently—to produce with quality and efficiency. Let us defeat those adversaries who only seek to destabilize us. Together, we will create a better Mexico."

Meanwhile, CNIT President Enrique Aranzabal noted that the Mexican economy is facing a very difficult period characterized by political circumstances that are causing instability in the national economy and might result in foiled government expectations regarding inflation and growth.

In his speech before Sanchez Ugarte, Aranzabal demanded prompt solutions to the problems threatening the textile industry—namely, financing and the entry into national territory of merchandise priced at dumping levels.

The National Chamber of Commerce [Canaco] Says Economic Problems Have Not Been Overcome

Canaco leader Gustavo A. Madero pointed out on 12 April that it would be a mistake to think the nation's economic problems have been overcome, because the fight against inflation is still continuing. The inflation problem must be truly solved, effectively controlled, and secured with "strong locks" to prevent the remergence of pitfalls that have been apparently overcome.

Madero indicated that in terms of growth, the country is facing the worst times in the entire six-year period, with local problems and increasing obstacles, but organized businessmen have neither slowed down nor ceased their efforts to reverse the trend.

Consequently, Canaco has supported the creation of a credit union for its members, as well as the establishment of a "single office" for transactions—although it is currently overwhelmed with requests—and it has implemented a permanent promotion campaign to standardize corporate mergers, among many other tasks.

Official: Drug Interdiction 'Noticeable'

PA1604172794 Mexico City LA JORNADA in Spanish 12 Apr 94 p 24

[Article by Evangelina Hernandez]

[Text] Thanks to its interdiction policies, Mexico has prevented 50 tons of cocaine annually from entering the U.S. market over the last five years. This places Mexico third in world drug trafficking control. However, this "noticeable" level of interdiction prompted the proliferation of "drug pushers," especially along the northern border, who have triggered hard drug consumption where there was none before.

Miguel Angel Gonzalez Felix, Human Rights and Drug Trafficking coordinator of the Foreign Relations Secretariat, pointed out that we are running the risk that drug trafficking money, which will eventually be "laundered," could enter the Mexican financial system thanks to the opening of trade.

As for the U.S. State Department's International Drug Trafficking Control Report disclosed last week, the official said that the Mexican fight against drug trafficking is currently taking place without any pressure from the United States. He added: "It is a more balanced struggle" due to President William Clinton's efforts to fight local consumption, not foreign production." [quotation marks as published] As he emphasized that our country's fight against drugs is due to internal reasons, Gonzalez criticized the report, which indicated that 50 percent of the drugs coming into the United States enter through our territory.

He stressed that at the beginning of the current six-year presidential term, the detection and interception of cocaine failed to reach 10 tons; during the last few years, however, drug seizures amounted to about 50 tons annually. The report should state the opposite: "Thanks to the efforts of Mexico, the amount of cocaine that enters the United States has been curtailed by one fifth. Should we look at it from this viewpoint, it would be exactly the opposite." [sentence as published]

We increased drug seizures from 10 to 50 tons. Should we take into account that drug interdiction amounts to 100 tons at the U.S. border, 60 tons in Colombia, and 50 tons in Mexico, and that Spain, among the European nations, intercepts the most cocaine, 10 tons, then the detection level will indeed be "very noticeable."

Gonzalez admitted that one of the big problems with the interdiction policies is the proliferation of "drug pushers." Although there is no widespread and serious drug consumption at the border, it is a problem that worries authorities nonetheless, because it is a situation "we never thought we would have to deal with."

The diplomat [title as published] added that another problem that Mexico could face in view of the free trade is money *laundering*, which could emerge at the same time as the market opens. This is an issue that the Finance Secretariat and the Attorney General's Office have already began to work on. The interdiction systems were more vulnerable to drug trafficking money before the opening, but these mechanisms are currently being strengthened to ensure that "ill-conceived money" operations could be foreseen, detected, and controlled.

Gonzalez said that this is a vanguard issue on the American continent; Europe and Asia do not have to deal with this problem despite their open markets. He insisted Mexico is at the vanguard.

The so-called U.S. report on our country on the drug issue is secondary for the official. What is really important is the Clinton administration's shift to concentrating more on local consumption aspects, not on the cooperation systems of other nations. It is not that we want to praise his job, but we could say that the most praiseworthy part of it is the change Clinton made with regard to local drug consumption. "They are channeling more resources to their consumption problem; they are also realizing that although the strategies that they implemented in the past indeed diminish drug inflows to the country, said strategies generated a number of unexpected conflicts."

This does not mean that the United States will drop international cooperation programs altogether. The official maintained that cooperation systems with Latin America and Mexico still prevail, but they are now very respectful of the nations' sovereignty.

The United States is tackling these problems, as Mexico has done for many years, from an integral viewpoint that will combat not only production and trafficking, but also consumption.

Does this mean the United States is exerting less pressure on us?

The situation changed when President Clinton came to power. It is very respectful of sovereignty, and this makes us have fewer conflicts and more expeditious cooperation.

El Salvador

Army Awaits Orders To Engage Armed Gangs

PA1804222494 Mexico City NOTIMEX in Spanish 0239 GMT 16 Apr 94

[Text] San Salvador, 15 Apr (NOTIMEX)—The Salvadoran Army today admitted the existence of armed groups comprised of former guerrilla and Army members and said it is only waiting for orders from President Alfredo Cristiani to begin engaging them.

Deputy Defense Minister General Roberto Tejada Murcia told journalists the gangs were operating in Cerro Guazapa, north of San Salvador, and in Morazan Department, in the eastern part of the country. He claimed the Army has information concerning activities by dissidents of the Armed Forces and the Farabundo Marti National Liberation Front (FMLN), which became a political party in December 1993.

"The armed men have been spotted in different places throughout the country, but most of all in Guazapa," Tejada Murcia emphasized.

He said the Armed Forces have not begun moving against them, but he added, "they will be fought, if the president so orders it." Tejada explained that patrols to prevent this type of activity would fall under the guidelines of the National Civilian Police (PNC).

Following the signing of the January 1992 peace accords between the government and the then-guerrilla movement, the Salvadoran Constitution assigned the task of defending national territory to the Army and the task of safeguarding public security to the PNC.

The agreements also led to the dismantling of the FMLN military machine, which had approximately 8,000 armed men, as well as reducing the Army's military strength from approximately 60,000 to 30,000 men.

Armed groups have kidnapped a number of farmers in Guazapa over the past few months, while in Morazan they have threatened to kill FLMN leaders. There also have been a number of robberies along the highways—robberies in which anyone who resists is killed.

Guatemala

Government Minister: No Special Security Planned for Foreigners

PA1804145494 Guatemala City SIGLO VEINTIUNO in Spanish 13 Apr 94 p 13

[Report by Carlos Castanaza]

[Text] Commenting on the possibility of providing special protection to U.S. citizens, Government Minister Danilo Parrinello said yesterday that the "state is obligated to provide security for all Guatemalans, foreign residents, and tourists, but we cannot provide special security for foreigners of a specific nationality."

The minister commented on several incidents, including the recent kidnapping of the daughter of a U.S. couple, and said "it could all be part of an attempt to create divisions between the Guatemalan Government and the United States." Nevertheless, Parrinello did not rule out the possibility that it could all be "a coincidence."

The government minister indicated that he is willing to try to provide security for everyone who needs its, but he insisted that "the state's role is to ensure the safety, life, and property of all citizens as well as of the foreigners living here. Foreigners and Guatemalans are entitled to the same rights."

Referring to President Ramiro de Leon Carpio's statements regarding a prohibition on weapons sales, Parrinello said that he was referring directly to what the U.S. State Department stipulates with respect to U.S. manufacturers' sales to Guatemala for security forces purposes.

Parrinello said that the U.S. measure "is unfair because from 1944 to date, there has never been an administration more respectful of individual rights, nor has there been one that has given a more prominent position to human rights issues than that of President Ramiro de Leon Carpio."

Parrinello stressed that the United States must reevaluate its political decision. In the meantime, we will continue turning to other friendly countries to procure nonlethal materials already manufactured in Guatemala "or to import them from friendly countries which understand that our government does respect individual rights."

Commenting on the [Jorge] Carpio murder case, Parrinello said: "I do not have any documents that must be turned over to the legal system, and if I did, I would hand them over immediately."

The minister urged the Guatemalan Bishops Conference to reveal the names of the responsible parties, as they say they have, and emphasized the president's intention to establish the Carpio Commission, for which the president has already issued precise instructions to the General Secretariat.

President Comments on Freeing of Kidnapped American, Lack of U.S. Aid

PA1804223594 Guatemala City Teleonce Television in Spanish 0400 GMT 18 Apr 94

[From the "Telepress" newscast]

[Text] The family of Georgina Rosse Robyn, the girl who was freed last Friday after being kidnapped on 11 April, this Sunday visited the Presidential House to meet with President Ramiro de Leon Carpio. Before entering the building, the girl's mother made a brief statement.

Following the visit by the girl's family, President Ramiro de Leon Carpio answered questions on how the girl was liberated, in contrast to other unsolved kidnapping cases.

[Begin de Leon recording] This was due to several elements and factors. Here the participation and cooperation of the Robyn family was key. They provided information and immediately went to the authorities. Obviously luck was also on our side. Many elements came into play here.

Other cases have been discovered in which families have refused to publicize that the cases have been resolved. In other words, it is very difficult to measure or rate all cases equally.

What I can tell you for sure is that the actions we are carrying out with the cooperation of the Army, which I announced days ago, have strengthened civil security forces. The results are beginning to show not only in the case of the Robyn family, but in other cases which will later be made public.

Should these results continue, this is a signal the actions taken by the president of the Republic, which some have criticized, particularly about the Army's cooperation in these investigations, are yielding results. We will continue to work in this direction to change investigation procedures and how results are obtained.

We will continue to train civil security forces. This is particularly difficult because there are many countries—I already said this in my message to the nation—that demand results, like the United States for instance, but do not provide aid or equipment. How do they expect us to cooperate in these investigations if we do not receive uniforms or equipment.

The investigation of the Guatemalan Army's Intelligence Department, with the participation and cooperation of the National Police, provided information leading to the arrest of the individuals involved in Georgina Rosse Robyn's kidnapping. I understand the Robyn family requested the participation of FBI agents. I do not know if they finally came or if they came in time, but the result of this arrest was made possible by the investigation of the Army's Intelligence Department and the National Police. [end recording]

Honduras

Armed Forces Chief Denies Plans for Coup Attempt

PA1504183694 Tegucugalpa LA TRIBUNA in Spanish 14 Apr 94 p 8

[All quotation marks as received]

[Text] General Luis Alonso Discua Elvir, chief of the Honduran Armed Forces, in statements to Radio America said that the maturity achieved by the Armed Forces cannot be put in doubt, adding he would prefer to resign than to harm Honduras.

According to Deputy Luis German Lagos, a member of the Innovation and Unity Party, data—in the hands of the United Nations—presented at a recent seminar on human rights in the United States indicate that President Carlos Roberto Reina could be a victim of a coup d'etat within a period of time not yet established.

Nevertheless, the military officer said that if the nation is entering a state of law and is initiating a phase of democracy, such an idea should not even be brought up. "If Gen. Luis Alonso Discua Elvir, commander in chief of the Armed Forces, were to propose this type of situation, I would prefer to resign from my post before breaking my oath to the Constitution and the laws," he said.

He said that this type of speculation "makes us lose some of the credibility we have achieved as a nation in the eyes of the nations of the world," adding that in Honduras the coup d'etat stage has been overcome and we are now on the road that all Hondurans wanted. He added that there have been attempts to pin negative aspects onto Reina's in order to harm his image. "It is certain we are a poor nation but we are also a nation with dignity, with an Armed Forces based on the nation's needs. "While I am at the helm of the Armed Forces such a monstrosity would not cross my mind," he stressed after recalling that "we have sworn before the Constitution of the Republic and before the altar of the nation our loyalty to the established governments."

Making reference to Deputy Luis German Lagos, Discua Elvir said that when an independent representative attends events sponsored by such organizations as the United Nations, he should be serious enough to weigh this type of information. "A number of hypothetical aspects and situations related to these countries were discussed there, he assured, after adding that these types of matters do not favor the nation. [sentence as published]

Likewise, he asked all Hondurans to "give their total support to President Reina's government for the nation to advance." Meanwhile, he recognized that the armed institution has many times voiced its opinion on matters of national interest, but as recommendations, adding that he personally conveys these to the president.

"It is shameful that our country is placed on the same level as African nations where presidents sill die, where there are coups d'etat." I believe that due to our proximity to North America where the headquarters of this important organization is located, this type of situation should not occur," Gen. Discua noted. "I want to tell the Honduran people and the whole world that at no time will the Armed Forces think of acting in such a manner... this was a matter of the past, these were historical, political moments. I do not think this should be repeated," he stressed.

According to him, the alleged conspiracy against the president and the accusations of a coup d'etat are the work of small groups that want to create distrust within the community toward their authorities. "They attempt to create a climate of anxiety and weakness within the

community," the military chief charged. He recalled that Honduras is beginning a new government that faces a series of problems and the government does not have a magic wand to resolve the problems immediately.

"We are not in a position to resist, rather we are in a position to give the president all the support, all the loyalty he deserves as the nation's first authority," he noted. "I do not know where they want to take the nation. I believe we should be the architects of our own destiny, we should be the ones called on to resolve our own problems," he remarked. "I hope that we will not have situations similar to those in Mexico where a political leader dies; Guatemala where a high-ranking government official is murdered; and other nations where fratricidal leftist forces have emerged," he said.

Without naming names, Discua said these persons or institutions do not act like friends of Honduras, which is striving to come out ahead. He said: It is not true the military corps has diverted from its constitutional role; "we continue to support and maintain our institution's professionalism."

Discua added that, since all the institutions currently face a difficult situation, the Armed Forces are aware of their new role in a country that is immersed in a development and democracy process. The Armed Forces, and not just in Honduras, have a clearly defined framework where they must assume their responsibility; "and I have been clear, and sufficiently explanatory, with the president of the Republic," he said.

Discua thinks the military corps must be the backbone of the democratic system which prevails in Latin American countries; and they should not assume a leading role as in previous decades. "That must now be history; we had our role, but now we must all become involved in solving the country's problem. We are contributing our quota of sacrifice; we are assuming our responsibility; and, logically, we must guarantee the social welfare of our corps' members."

The Armed Forces chief emphasized he is responsible for the welfare of its members, and he must keep them trained and ready to counter any situation which taints, or tries to taint, the country's sovereignty or threatens its democratic system.

Later, the military commander said the Armed Forces have clearly defined their role for the future; and he asked Hondurans who became involved in the previous decade's Cold War to conduct a self-analysis and see exactly what happened. "I have always said that whoever tries to see the past is trying to return to the past," he said when asked if the accusations came from enemies of the armed corps involved in the 1980's confrontation.

The military corps looks ahead, toward the country's future, he said. "If the Honduran people were ever involved in the defense of an ideological position that was imposed on them, now is the time to stop and conduct a self-analysis to see exactly what happened," he demanded. Discua added: It was a cold war, a situation imposed on our country; and we became involved, in one way or another, because we believed it was the right thing. "However, if we continue to look back, some people might return to the past; but the Armed Forces are not in that situation—we look ahead and we believe we have a great mission to accomplish, an important role to play," he emphasized.

Discua Elvir believes the Armed Forces have matured in their responsibility as an institution. "We should have always had that maturity but, due to external circumstances, it opposed many situations with which, perhaps, we never agreed."

Nicaragua

Executive Branch, Assembly Agree To Work Together

PA1804224594 Managua Sistema Nacional de Television Network in Spanish 0200 GMT 12 Apr 94

[Passages within quotation marks are recorded]

[Text] The Executive Branch and the National Assembly today agreed to work more closely with each other. Council members of five Assembly factions went to the presidential building to discuss with Minister Antonio Lacayo three points on which the two branches disagree but on which some progress was made today. One point is the procedures to create and eliminate taxes in the country. The two branches agreed to establish mechanisms to do away with unilateral decisionmaking.

[Nicaraguan Assembly President Luis Humberto Guzman] "The basic principle underlying the agreement is that the government presents fiscal policy proposals and the National Assembly will decide on the contents of the proposals."

[Lacayo] "It would be much better if these taxes are established by joint agreement, as mentioned by the Assembly president, and do away with unilateral decisionmaking."

Another point discussed was constitutional reforms. According to the Assembly president, the government is willing to cooperate on the promulgation of articles that would pave the way for the constitutional reforms.

[Lacayo] "If we can reach an understanding or an agreement next week, I do not see why President Chamorro cannot sign the proper document when she returns next week."

Lacayo said that today's meeting shows there is no crisis between the two branches but only disagreements that stem from the branches' independence.

[Lacayo] "May I stress that this disagreement can always be settled through dialogue. We made some progress in today's meeting, which we are concluding."

One result of the dialogue is that it was clarified today which obligations the government could sign with international banks.

[Lacayo] "We will never set down in an international public document an obligation in the name of another branch. We will set down the Executive Branch's will. But we will never commit neither the National Assembly, nor the Supreme Court of Justice, nor the Electoral Tribunal, to things to which only they can commit to."

He also said that the possibility of vetoing the Labor Code was not discussed and that the Executive Branch made a commitment so the Code benefits workers. He announced that a meeting with all Nicaraguan sectors will be held on Wednesday to discuss the ESAF [Enhanced Structural Adjustment Facility] document and settle any remaining doubts.

[Lacayo] "Some drafts have been distributed. Some people have reacted to these drafts. We will share with them the most recent versions, which in some respects are more positive than the previous drafts."

Regarding the military organization bill, Lacayo said the government and the Army together intend to complete the bill before 25 April.

Banking Operations Commission Created To Combat Money Laundering

PA1804170394 Managua BARRICADA in Spanish 15 Apr 94 p 4

[Report by Jorge Katin]

[Text] Yesterday, the National Assembly created a Commission of Banking Operations that will prevent Nicaragua from becoming a haven for money-laundering by large drug cartels. The creation of this commission is discussed in Article 21 of the draft anti-drug bill on which debate continued yesterday in a full session of the legislature.

In the past two years, Nicaragua has been the victim of a strong assault by the drug cartels that want to overrun our territory, taking advantage of the current economic situation to institutionalize the laundering of drug money.

Article 23, which was approved yesterday, says, "The commission's goal is to study the different techniques and methods used to carry out all banking, financial, or related operations that facilitate the legitimization of capital derived from illegal activities."

According to this bill, banks—private as well as state-owned—must report to the commission any deposit whose total amount surpasses $10,000 in operations conducted by any single client.

If a person or institution is being investigated for suspicion of money-laundering, the bill mandates that the individual is not entitled to any banking or fiscal secrecy whatsoever. Banks are obligated to reveal to the respective authorities all bank accounts of individuals being investigated in cases concerning drug-trafficking or the laundering of money or valuable objects.

The aforementioned commission will comprise a banking law specialist, an auditor, an expert in marketing, and a member of the National Police Commission on Economic Crimes.

The anti-drug bill moved closer to passage yesterday in the wake of a great deal of pressure from police and the U.S. Embassy itself, as was disclosed by Congresswoman Doris Tijerino.

3-80 Northern Front Completes Disarmament Process 15 Apr

PA1904043494 Panama City ACAN in Spanish 2137 GMT 15 Apr 94

[Text] Managua, 15 Apr (ACAN-EFE)—Jose Angel Talavera, alias "Chacal," the leader of the 3-80 Northern Front "recontras," and more than 300 rebels in his group, surrendered their rifles to the Nicaraguan Government today, thus concluding the disarmament process of the anti-Sandinist rebels.

During the disarmament ceremony, which was held at the Quilali community that borders Honduras, Esteli Bishop Abelardo Matta invoked God and thanked Him for the rebels' decision to give up their weapons "for the sake of peace" in this part of the country.

The weapons surrendered by the "recontras," approximately 150, included Soviet-manufactured AK rifles, pistols, several surface-to- air missiles, and other military materiel, were destroyed at the location of the demobilization ceremony.

The disarmament process of "Chacal's" men started on 2 March and continued on 25 March. On those dates, approximately 300 "recontras" gave up their rifles and entered civilian life. Almost 100 demobilized rebels entered a police academy in Managua, where they will receive training in the fields of security and public order so they may, in the coming months, join police units in northern Nicaraguan municipalities.

A military source in Quilali, reached by telephone, told ACAN-EFE that chieftain "Chacal" surrendered his rifle and ratified his commitment to work "from the civilian field" to improve the living conditions of the now-demobilized "recontras."

The disarmament ceremony was attended by Government Minister Alfredo Mendieta for the government; Lieutenant Colonel Ricardo Wheelock for the Army; Bishop Abelardo Matta, who is the International Commission of Support and Verification coordinator; Argentine Sergio Caramagna; and human rights organization representatives.

The government and the rebels agree that now that the last phase of the 3-80 Northern Front's disarmament process has concluded, northern Nicaragua will initiate "a new phase of peace" and leave behind a war that left thousands of soldiers, civilians, and rearmed rebels dead or injured.

"Hopefully God wants this (the peace process) to advance so that we can find tranquility," Bishop Matta exclaimed. Matta is one of the representatives of the Catholic Church in the area who contributed to the signing of the peace agreement between the government and the rebels. The Catholic bishop, who expressed his satisfaction with the government's decision to create the necessary conditions "that would result in the successful" disarmament of the rebels, called on the country's authorities to promote true socioeconomic programs to avoid a new rearmament process.

The rearming of the rebels started in Nicaragua in 1990, a short time after Violeta Chamorro assumed office as president, when several thousand of the 22,000 former "contras" who had demobilized initially, rebelled because they considered that the government had not kept the promises it made to them to get them to reenter civilian life.

Lacayo Denies IMF Agreement Harms National Sovereignty

PA1904030594 Panama City ACAN in Spanish 2028 GMT 18 Apr 94

[Text] Managua, 18 Apr (ACAN-EFE)—Nicaragua today denied that it accepted terms "that harm national sovereignty" by signing an agreement with the IMF. The government, in turn, accused the Sandinists of having "mortgaged the country."

According to the government, the agreement with the IMF will give the country access to some $600 million to be used in structural adjustments and economic expansion over the next three years.

Presidency Minister Antonio Lacayo said in a news conference that "it can never harm national sovereignty to try to relieve the burden of foreign debt," estimated by several sources at more than $11 billion.

Lacayo, who is the son-in-law of President Chamorro and heads the economic and social cabinet, said the only government that has harmed national sovereignty "is the one that mortgaged the country," referring to the Sandinists, who governed the country from 1979 to 1990. Lacayo added that Chamorro's ministers have had to travel abroad to "rescue this sovereignty" by having the United States write off Nicaragua's foreign debt. He "categorically" rejected the Sandinists' accusations that the contents of the agreement with the IMF "were harmful to the country's sovereignty." Lacayo added: "We have also gone to rescue the sovereignty that was pawned to Mexico, Colombia, Argentina, Spain, the Nordic countries, and other Paris Club member nations. Each child born in Nicaragua wears an identification bracelet on one of his arms and a label saying that he owes $3,000 in foreign debt on the other arm."

The head of the Presidency Ministry confirmed that the agreement with the IMF was signed on Saturday and amounts to $140 million to be disbursed over a three-year period. This will allow the procurement of another $150 million, which the World Bank will lend to Nicaragua, co-financed by the Governments of Japan, Germany, Sweden, and Switzerland and which will be disbursed over the next 18 months. In addition, the Inter-American Development Bank (IDB) will grant other credits for health, education, and small enterprise, funds that would not have reached the country if the agreement with the IMF were not signed.

As for the other Sandinist charge that the agreement with the IMF violates the current Constitution, Lacayo said those who believe this may file constitutional appeals before the Supreme Court. The minister, who is sort of a coordinator for the Chamorro government, added: "We are not going to judge that because the government is not a judge in this matter."

Lacayo, as well as Finance Minister Emilio Pereira, Foreign Cooperation Minister Erwin Kruger, and Economy and Development Minister Pablo Pereira, among others, said that the $660 million that will reach the country this year will contribute to a reduction of the high interest rates in the production sector. They said that, although 13,500 bureaucrats will be dismissed in the next three years, public investment and producer credit will permit the creation of 84,675 new jobs in this country, where the unemployment rate is estimated at 60 percent.

The ministers said that this year monthly devaluations will be 1 percent, economic growth of 2 to 3 percent is expected, and 7,500 housing units will be built nationwide. They also pointed out that signing the IMF agreement has led the Paris Club to plan a trip to Nicaragua in the first week of June to renegotiate the nation's foreign debt, the equivalent of more than 36 years of exports.

Lacayo, on the other hand, warned that the government "is prepared to respond to violent protests by those who reject the agreement, noting "that this path is the wrong one."

[Paris AFP in Spanish at 2310 GMT on 18 April in a Managua-datelined report adds: "The Nicaraguan Government will not pay the debt incurred by the Sandinist authorities to finance the war of the last decade and holds them responsible for the serious economic crisis that hinders the country, Presidency Minister Antonio Lacayo announced on Monday. He said that 'the government will not pay' the war debt, without specifying the amount of the debt. He made the announcement during a news conference offered by the economic cabinet to explain the scope of an agreement signed with the IMF this weekend."]

Panama

Endara Justifies Release of Video Montage

PA1904034094

[Editorial report] Panama City TVN Television Network in Spanish at 0109 GMT on 19 April, during its "Dialogue" program, broadcasts a live or recorded interview with Panamanian President Guillermo Endara by host Luz Maria Noli from its studio in Panama City.

Endara begins by responding to why he released a video montage of footage taken during the Noriega regime. He says: "Past government actions are one of the first things open for discussion in every political campaign."

At 0114 GMT, when asked whether more videos will be presented, Endara says: "At this time, I see no reason for airing any more videos. I would gladly air more, however, if it is regarded as advisable."

At 0120 GMT Endara, commenting on the controversy following the airing of his video montage, says: "I was unaware this announcement would create such repercussions. I confess that I am often spontaneous in my actions." He goes on to say: "I did not want to create an expectation. I think these videos have a great historical importance, at least that is how I felt when I received the videotapes on 5 April, only a few days ago." He adds: "I am convinced I made the right decision, and I believe the people should know about this. I could not hide this from the people. I believe it was my patriotic duty to do it; it was a president's duty. I did not do it for political reasons but, rather, because I wanted the truth to be known just as I saw it on 5 April."

At 0128 GMT Noli asks Endara if the videos are the property of the state or were received from a friendly government. Endara replies: "No. These have nothing to with the famous boxes in the hands of the U.S. Army." He goes on to say: "No, they have nothing to do with those 15,000 boxes. These video cassettes were in the Presidential Palace the day I assumed office; they were there. I knew about them, but did not pay much attention to them. I completely forgot they were there. Truly, it was not until recently that I realized they were there. I just recently became aware I had known they were there for a long time, but I never took them into consideration."

At 0134 GMT Endara remarks on from where those videos came, saying: "A few months ago, three or four months ago—I really cannot remember how long ago—a Presidency official asked me for permission to review the videos. I told him: You have much work to do. Just stick to your work and forget those video cassettes. The official addressed me again a few days later, saying: Mr. President, I have a group of very serious people who would like to review the cassettes. We will review them in our spare time. Will you allow us to do so? I really wanted to tell him no, as I had done previously, but I said to myself: Well, let them see the videos if they are going to do so in their off-duty hours. Thus, I authorized them to do so. They reviewed the videos. They reviewed some of the videos, because I do not think they could have reviewed them all. As a result, on 5 April, they brought me an edited cassette containing most of the scenes seen by everybody today. This was when, for the first time in all my administration, I realized the importance of those video cassettes. I thought it was truly inconsequential to review those cassettes, but I was very wrong."

At 0138 GMT Noli asks Endara what the objective of his airing the video montage was. Endara responds: "My fundamental goal, and which I hope to have fulfilled, was to report to the people facts I could not keep concealed. I could not be an accomplice or an accessory to those facts. I had to make them known, because I think the theory that the past is not a subject of political debate is completely wrong."

At 0146 GMT Endara says: "I did not do this to benefit one candidate or to harm another. I did it because I had to. The political effect has nothing to do with my decision. I did consider it because I knew it would have a political effect. I considered it but did not do so due to the political effect it would have. I did it because I had to and for the reasons I just explained. If it benefits young candidate Ruben Blades, well, so be it. What can we do? I did not do it for that reason. It does not bother me to know it might have benefited someone. It does bother me to know it hurt someone, but then, someone had to get hurt."

At 0153 GMT the network breaks away from the interview to a live last-minute report on the Justice and Peace commission issuing a statement on the video montage. The network then returns to the Endara interview at 0159 GMT.

At 0208 GMT Endara comments on his partiality toward the presidential candidates, saying: "I never pledged to be impartial. I have with me a copy of the speech I delivered at the time, and nowhere does it say I must be impartial. Allow me to read just a few lines: I must point out and accept that all, or at least the majority of those of us who are here—and they were the government—are politicians, belong to political parties, have our preferences and sympathies, and profess political creeds and doctrines."

At 0212 GMT, when asked if he would give up power if the Democratic Revolutionary Party, PRD, wins the 8 May elections, Endara says: "If on 8 May—I state it now clearly and emphatically, as I have told all the members of my cabinet and friends and, in particular, the Public Force—Perez Balladares and the PRD win the elections, I will not only rightfully turn over power to him on 1 September but will even try to do something that has never occurred in Panama: I will establish a transition period. I pledge that the day after the elections, I will invite the winning candidate, either male or female, to the Presidency to begin a transition period. I want the

incoming president who assumes office on 1 September to enjoy what I did not have. I did not have a transition period."

At 0218 GMT Endara concludes his remarks, at which time the network concludes its broadcast.

Endara Advises PRD Candidate To Withdraw Challenge

PA1804174394 Panama City LA PRENSA in Spanish 17 Apr 94 p 1A

[Article by Jose Otero and Jose Quintero]

[Text] President Guillermo Endara has suggested that Ernesto Perez Balladares, presidential candidate on the "United People's" ticket, withdraw his challenge to President Endara to show all the videos of the military dictatorship, because if Perez Balladares does not, the PRD [Democratic Revolutionary Party] will be the main party affected.

PRD presidential candidate Perez Balladares on Friday publicly challenged President Endara to broadcast on television all the videos the president has on how the people were mocked during the cabinet council meetings during the past military regime.

Endara phoned Circuito RPC Television station during the "Let Us Find Solutions" program hosted by Julio Miller to make a statement. Endara recommended that the PRD presidential candidate withdraw his challenge or face the consequences.

The president told Perez Balladares several times to "withdraw your challenge, because those videos will affect you."

Endara explained that he had not officially decided whether he would broadcast the unedited videos, but he warned that he had already set aside the time slot between 2000 and 2100 on Channel 11 [Panama City Sistema de Television Educativa] to air the videos on the abuses of the past military regime.

"Perhaps the scenes you will see on Channel 11 will not be as dramatic as those you saw on Thursday, but they will confirm the cynicism and disregard for the people upon which the PRD prided itself in the past," Endara stressed.

Endara denied that the videos he broadcast on a national network were part of the 15,000 boxes that the U.S. Government has had since the 1989 military invasion.

"With God as my witness, that video was given to me on 5 April and I went through a real calvary before making my decision," the president added.

Endara said he knew about these videos filmed at the Presidential Palace but that until he was shown the contents he had never been interested in watching them, because he was too busy with the huge task of rebuilding the country.

"In addition to those videos, I know there are rooms full of documents that belonged to the previous regime. I have never looked at them because I am not interested in the problems of the presidents who were in office before me," Endara said.

The president added that before deciding to show the video on television he consulted with Mireya Moscoso de Gruber, presidential candidate for the Arnulfist Party.

Endara said that Mireya advised him to think hard before making a decision because it could hurt him. Endara added that at no time did the Arnulfist Party candidate try to benefit from the videos.

Likewise, President Endara said that his decision to publicly air the videos did not violate the Santa Maria Pact because he never used his office to support political interests.

"At no place in the Santa Maria Pact did I commit myself to being impartial. I promised to abide by the Constitution and the laws, and that is what I have done throughout my term in office," Endara said.

Meanwhile, at 1900 on Monday, the Peace and Justice Commission will meet with all the political parties to analyze the president's speech during the radio and television network. The meeting will be held at Santa Maria La Antigua University auditorium.

A bulletin issued by the commission advised that its members met on 15 April to discuss the president's actions and decided to inform the delegates of the political parties that signed the Santa Maria Pact of their views on Monday.

Justice, Peace Commission Issues Statement

PA1904025594 Panama City TVN Television Network in Spanish 0153 GMT 19 Apr 94

[Statement by Stanley Muschett, president of the Panamanian Commission for Justice, Peace, and National Reconciliation, at the Santa Maria La Antigua University in Panama City—live]

[Text] Good evening to all television viewers and radio listeners. Just as we announced, the Justice and Peace Commission prepared a preliminary statement in which it stated its position regarding the president's actions on Thursday, 14 April. This position was a preliminary one in compliance with the regulations of the permanent consultative body. The permanent consultative body, created under the auspices of the electoral ethical agreement, is made up of the representatives of the political parties that signed the agreement under the presidency of the Justice and Peace Commission.

We brought this position, this preliminary statement, before the consultative body with the intention of reaching a collective position. After the meeting, where I must recognize that the efforts were to enrich the document, I must also point out that the statement we are making now is an exclusive statement by the Justice and Peace Commission, because a collective statement was not reached among all the members of the permanent consultative body according to the regulation. I am going to read the statement and once I finish, I will make some observations.

Statement by the Justice and Peace Commission: As for the appearance of the president of the Republic in a national network on 14 April, the Justice and Peace Commission states its position given the commitment it has made for the promotion of a participatory and respectful election process that is free of violence.

No one can disregard the past, which must be completely analyzed. Reflections of the past must serve to illuminate the present, create possibilities for the future, and contribute to the governing of the country; therefore:

1. The pictures that were shown reminded us of a painful part of our history, aggravated by the offensive actions of some of the participants. History cannot be forgotten and only through a true reconciliation based on the strict application of justice and repentance can we be in peace with it.

2. The unnecessary expectation created by the words and the actions of the president presented as a genuine concern for democracy and the normal development of the state can also be interpreted as an effort to change the preferences in the present electoral process, which could contradict his call not to, and I quote, use his authority and influence to serve the interests of the participants in the election process, unquote.

3. A few days before the elections are held, we reiterate a call to debate the different platforms and evaluate candidates based on their values, capabilities, and past achievements.

4. Panama is our common house. After the elections, we have the great task of reaching agreements on the great challenges that lie ahead. That is why the Justice and Peace Commission makes a call to the president and to all participants in the election process to—inspired in the multiple initiatives made since the ethical electoral agreement and the women's forum on political parties, including the electoral agreement of the Executive Branch—conclude this process with tolerance, respect, and responsibility.

I want to publicly ask the various media that may pick up this statement to please reproduce it in its entirety, and we hope they refrain from editing out parts that may detract from the primary intention that led us to make this statement. Thank you very much.

Supreme Court Rules Out Run-off Election

PA1904012194 Panama City Circuito RPC Television in Spanish 2300 GMT 18 Apr 94

[From the "RPC Television News" newscast]

[Text] According to a Supreme Court of Justice ruling, there will be no run-off election. The decision does not allow any kind of appeal or reconsideration recourse. A class action suit was filed with the Supreme Court several weeks ago, against Article 255 of the Electoral Code. The provision states that the winner of the election is the candidate who receives a majority of the votes. The court has just handed down its decision on this unconstitutionality claim.

[Begin Chief Justice Arturo Hoyos recording] The court has decided, in a plenary session, that Article 255 of the Electoral Code is not unconstitutional. Therefore, there will be no run-off election for the 1994 presidential election. For several decades now, the word majority in the text of Article 172 of the Constitution has been interpreted to mean that only a simple majority is required. [end recording]

Chief Justice Hoyos explained that the Constitution must be reformed in order for there to be a run-off election. He added that there will be no appeal or reconsideration of the court's ruling, which was reached unanimously and is deemed definitive.

Roundup of Electoral Developments

PA1404233294

[Editorial Report] The following is a compilation of reports on developments related to the Panamanian elections scheduled for 8 May.

Presidential Candidate Ernesto Perez Balladares, of the Democratic Revolutionary Party, PRD, met with workers of the diplomatic corps and students on 13 April. He said: "The Foreign Ministry must start recovering our authority, our true dignity, our image of a free, independent, and sovereign country in the eyes of all the world's nations, beginning 1 September." He added the ministry will have the important task of upholding the Panama Canal Treaty and "promoting our geographic position and our potential as a nation." In doing so, "we will attract the foreign investment we need to create jobs." (Panama City Circuito RPC Television in Spanish 2300 GMT 13 Apr 94)

Presidential Candidate Ruben Dario Carles, of the Nationalist Liberal Republican Movement (Molirena)-Change '94 Alliance, attended the Cade (Annual Conference of Business Executives) 94 conference hosted by Apede (Panamaian Association of Business Executives) on 9 April. He strongly criticized the Endara administration for "being incapable of solving the country's social problems." He said as comptroller general he contributed to development "through strict fiscal control." Early polarization among ruling parties has

resulted in "paralyzation of the government's development plans." (Panama City LA ESTRELLA DE PANAMA in Spanish 10 Apr 94 p 48)

Carles toured the public market, accompanied by his running mates and Panama City mayoral candidate Omayra Correa on 13 April. Carles chatted with vendors and told them he, as president, will improve conditions at the market. (Panama City Circuito RPC Television in Spanish 2300 GMT 13 Apr 94)

Ruben Blades, Papa Egoro Movement, MPE, presidential candidate, spoke to the Jewish charity association B'Nai B'Rith on 7 April. He said hunger and poverty and not ideological positions are the real enemies of personal wealth. He said "the comfort we enjoy today does not free us from responsibility, because that comfort could suddenly disappear if the current precepts and poor examples of private and government corruption continue to prevail." (Panama City LA ESTRELLA DE PANAMA in Spanish 8 Apr 94 p 2A)

Blades took his campaign to Chepo, a rural area east of Panama City, on 11 April. He walked with the people and went for a bicycle ride. Citing recent poll results and his campaign expenditures, Blades said: "That is an example of what good administration can do. We have spent only $50,000, and we are in second place." (Panama City Circuito RPC Television in Spanish 2300 GMT 11 Apr 94)

The National Popular Party, PNP, announced on 12 April it will endorse the MPE and the Blades ticket for the 8 May presidential elections. Party President Jorge Flores said Blades "is responsible and honest and will do a good job." (Panama City Circuito RPC Television in Spanish 2300 GMT 12 Apr 94)

Presidential candidate Mireya Moscoso de Gruber, of the ruling Arnulfist Party, PA, while campaigning in Arraijan District on 9 April, affirmed the PRD and the PA will polarize the final race for the presidency. She said "there will be two options—a government for all Panamanians or a return to the past." (Panama City LA ESTRELLA DE PANAMA in Spanish 10 Apr 94 p 1A)

In Colon, Gruber outlined her plans for the recovery of the province's economy. "There is much work to be done in Colon, but, as I have said before, I have more than enough energy and courage," Gruber said during a rally in downtown Colon. (Panama City Circuito RPC Television in Spanish 2300 GMT 11 Apr 94)

Presidential Candidate Eduardo Vallarino, of the Christian Democratic Party, PDC, told reporters on 7 April Panama's image abroad is poor, but the U.S. State Department report on drug trafficking and money laundering has worsened it. He called on all candidates "to file a detailed declaration of our assets" and, what he considered more important, "an explanation of from where the millions of dollars being spent on advertising campaigns" is coming. (Panama City LA PRENSA in Spanish 8 Apr 94 p 1)

Presidential candidates Perez and Carles have addressed a meeting of the Panama Canal chapter of the AFL-CIO. Perez suggested creation of a "full time presidential commission to reinforce the efforts of canal operations." He said he will "prevent expertise from leaving the country, exclude U.S. laws from the Panama Canal, and fulfill the Torrijos Carter Treaty." Meanwhile, Carles said that finally, "after 17 years, the canal will be ours, and the future belongs to all Panamanians." (Panama City LA ESTRELLA DE PANAMA in Spanish 8 Apr 94 p 2A)

Presidential candidates Perez, Carles, Vallarino, and Munoz were present for a special forum hosted by the Single National Union of Construction and Related Workers on 7 April. They agreed on the need for reforms to the labor code. Vallarino said he "would not change anything which the unions did not propose." Perez said "there is no way we can ask the workers to sacrifice what they have earned." Carles said, however, any changes "will depend on what would work and how it would work. We must speak to the workers first." (Panama City LA ESTRELLA DE PANAMA in Spanish 8 Apr 94 p 4A)

Vice presidential candidates Guillermo Quijano and Tomas Herrera of the Molirena-Change '94 Alliance; Tomas Altamirano Duque of the PRD; Raul Ossa of the PDC; Raul Bernal of the PPD; and Fernando Manfredo and Ricardo Bermudez of the MPE participated in the Apede and Cade annual conference on 8 April. All candidates agreed there is a "moral crisis" in Panama. Quijano said the solution lies in giving the people "real alternatives, instead of false promises." Altamirano blamed the crisis on the "unemployment rate, extreme poverty, and unequal distribution of wealth." Ossa called for a "national concerted" effort to face the problem. Manfredo and Bermudez outlined their party's government plan for facing the issue, stating the MPE is the "only party to have presented a serious plan." (Panama City LA PRENSA in Spanish 9 Apr 94 p 1A)

On April 6 the Federico Guerra Corporation released the results of its latest poll, taken between 29 March and 3 April. Perez still leads with 33.2 percent. The new figures show Blades and the MPE taking second place with 15 percent over Carles, who totaled 14.5 percent. Gruber follows with a close 14.4 percent behind Carles; Vallarino, with 2.8 percent; Lewis, with 2.4 percent, and Munoz, with 0.5 percent follow. The report states "Blades gained 3.8 percent, Carles lost 2.3 points, and Gruber increased her support by 2.2 percent" over the previous poll taken from 12 to 15 March. (Panama City LA ESTRELLA DE PANAMA in Spanish 7 Apr 94 p 4A)

A special Dichter and Neira poll on the 11 April television presidential debate indicates Blades won by 36.8 percent, followed by Perez, with 30.1 percent, Carles, with 15 percent, and Vallarino, with 9.4 percent. When asked if the debate had made them change their mind about their favorite candidate, 75.9 percent said no, 11 percent gave no answer, and 15 percent said yes. (Panama City LA PRENSA in Spanish 12 Apr 94 p 1A)

On 12 April Dichter and Neira also released the results of a poll taken from 8 to 10 April. The results show Perez still leads with 34.5 percent, while Carles is second, with 18.6 percent. Blades follows with 17.3 points. Gruber is next, with 11.3 points, and Vallarino, who lost some support, totaled 2.7 percent. Perez slipped five percentage points; Carles gained 1.9 percentage points; Blades won 2.9 percent, and Gruber inched up .8 percent. (Panama City LA PRENSA in Spanish 13 Apr 94 p 1A)

U.S. Airline's Operations Suspended

PA1804195294 Panama City ACAN in Spanish 1804 GMT 18 Apr 94

[Text] Panama City, 18 Apr (ACAN)—Civil Aeronautics Director Zosimo Guardia revealed today that Panamanian authorities have penalized the U.S. company United Airlines by suspending its operations for violating Panamanian regulations on airfares.

Guardia said during a news conference that the conflict arose when United Airlines began offering a special promotion which was valid until 30 June. According to the advertisement, travelers would get a free ticket if they purchased their ticket through American Express.

Guardia clarified that this promotion violates the stability of airfares. After the airline failed to cancel the promotion following numerous complaints, it was decided on 29 March to impose a $2,000 fine.

According to Guardia, the U.S. company failed to make a down payment on the $2,000 fine, so its operating permit was suspended on 15 April.

Since that time, a United Airlines plane has been parked at Tocumen International Airport unable to take off.

Travel agencies told ACAN that United Airlines canceled the travel promotion on 18 April, but the company has not made an official announcement on the matter.

Correction to Video Clips Shown on TV

PA1504183594

The following correction pertains to the item headlined "Video Clips Shown on TV," published in the 15 April Latin America DAILY REPORT, pages 20-25:

Page 21, column one, first partial paragraph, last sentence make read: ...Minena de Duran, former Democratic Revolutionary Party, PRD, legislator, addressing the same...(providing person's identity)

Page 22, column two, fifth full paragraph, last sentence make read: ...Gabriel Altamirano Duque, first vice presidential candidate for the PRD, addressing a crowd] (providing person's identity)

Correction to City Reported Calm

PA1504172294

The following correction pertains to the item headlined "City Reported Calm; Monsignor on Endara Message," published in the 15 April Latin America DAILY REPORT, page 34:

Column two, fourth paragraph, first sentence make read: ...recording] [Ricardo Duran, president of Chamber of Commerce, Industries, and Agriculture] There was even-...(providing speaker's title)

Argentina

Menem Denies Suffering Heart Problem 18 Apr

PY1804234694 Buenos Aires NOTICIAS ARGENTINAS in Spanish 2304 GMT 18 Apr 94

[Text] Buenos Aires, 18 Apr (NA)—President Carlos Menem tonight denied suffering a heart problem during the past few hours, which, according to persistent rumors, obliged him to undergo an urgent operation.

"I am very well; that rumor must have been put about by someone who wants me to die," Menem said a few minutes ago from the Olivos Residence over the state television channel.

Health Official Resigns in 'Bribery Scandal'

PY1804131594 Buenos Aires BUENOS AIRES HERALD in English 16 Apr 94 p 1

[Text] (DYN-NA)—Matilde Menendez, who resigned Tuesday from her seat on the newly-elected Constituent Assembly, stepped down as leader of the PAMI pensioners' health scheme yesterday. Meanwhile President Carlos Menem announced that she would be replaced by power workers' union leader Carlos Alderete.

Menendez has been under fire since a bribery scandal involving PAMI erupted late February when it was said that the organization had been demanding kickbacks from clinics hired to carry out medical work.

The initial complaint, filed by Frente Grande city councillor Anibal Ibarra, pointed the finger directly at Menendez for being personally responsible for the financial irregularities. That in turn led to a host of accusations against her in the politically sensitive moment of an electoral campaign.

Many observers said her position on the list of Justicialist candidates for election to the Constituent Assembly was a prime reason for the Peronist failure in the Federal Capital last Sunday.

However this latest development failed to placate Ibarra who said last night that Menendez should have "been forced to go long ago" and that the government was guilty of "keeping in office those who have been found guilty of corruption." He added that if the government had performed better in the elections Menendez would still be in office.

Meanwhile Alderete told reporters that he would work to stamp out "all types of corruption and neutralize any cases...if it turns out that there are any."

Journalists 'Categorically' Reject All Controls

PY1804205194 Buenos Aires NOTICIAS ARGENTINAS in Spanish 2059 GMT 15 Apr 94

[Excerpt] Buenos Aires, 15 Apr (NA)—The Argentine Association of Newspaper Owners (ADEPA) today warned that "the main problem facing journalists in Argentina is: the threat that an eventual law excessively increasing penalties for slander might be left at the disposal of officials wanting to silence reports on corruption, which have regularly involved Argentine public figures."

The institution's concern is included in a report issued by the Freedom of the Press and Information Commission presided over by Jose Claudio Escribano that was unanimously approved during the deliberations of the 94th ADEPA semi-annual board of directors meeting that ended today.

The editors also unanimously and categorically rejected the "ethic tribunals imposed or suggested from the highest government levels. We reiterate that no journalism is possible without solid moral bases and the implacable daily judgment passed by readers and clients who do not hesitate to be categorical."

The report also discusses "the confusion over the meaning of journalistic criticism, the theory of real malice, Santiago del Estero's inadmissible situation in the distribution and sale of newspapers, the figure of the ombudsman, so-called contempt of court, and the investigation of attacks against journalists," among other things.

ADEPA recognized that "independent journalists are not necessarily against governments, but neither will they place themselves at their service, for they serve society."

ADEPA's board of directors started their meeting on 14 April. On that occasion President Guillermo Ignacio offered his report and gave details on ADEPA activities since the Salta assembly in September 1993.

Ignacio's report includes details of his meetings with President Carlos Menem in October 1993 and January 1994.

He also referred to meetings with special fiscal prosecutor Luis Gonzalez Warcalde to learn about the progress of investigations into the attacks against journalists. The report gave details on steps taken with the Brazilian Newspaper Association to invite other Latin American press associations to form an association to represent them. [passage omitted]

ADEPA Rebuts Call for Media Ethics Courts

PY1804214394 Buenos Aires NOTICIAS ARGENTINAS in Spanish 1742 GMT 18 Apr 94

[Text] Buenos Aires, 18 Apr (NA)—Guillermo Ignacio, president of the Argentine Association of Newspaper Owners (ADEPA), today maintained that independent journalism "is not necessarily antagonistic to the government that is in office, but it has not been conceived to place itself at its disposal," and he also flatly rejected the creation of a court of ethics.

Ignacio also expressed his concern about the draft law that is currently in the hands of Congress and has been

approved by the Senate's Penal Committee. This draft law provides for "a six-year sentence for the crime of slander and damages, and from six months to two years for the illegal enriching of an official."

"The trouble is that President (Carlos) Menem occasionally makes these verbal outbursts on certain occasions and they worry the media. They are trying to penalize the crime of slander and damages in the same way that the Penal Code penalizes a homicide committed during a fight," he said.

Ignacio added that a court of ethics "only serves for the authoritarian censorship of the task of a professional who may not be on good terms with the management of a professional association or with the members of that court."

The ADEPA chief stated that the media submits "to the court that is made up of the people, and of course it is always open to action by the courts," and that "if this draft law is approved the country's press freedom will be doomed."

He said: "We have never demanded impunity for journalism, on the contrary, we have always said that there are no special types of press crimes, there are just common crimes that can be committed through the media."

In remark to a Buenos Aires radio station, Ignacio termed events in Santiago del Estero as "inadmissible because Labor Ministry Resolution No. 08/94 obliges the prior recognition of the Union of Sellers of Newspapers and Magazines in order to allow the distribution of the newspaper EL LIBERAL."

ADEPA expresses its rejection of the presidential initiative to create a court of ethics to control the media in a 10-page document in which the Press and Information Commission expounds all the reasons for concern regarding the possible gagging of freedom of expression.

No Injuries Reported in Mail Service Bombing

PY1804210094 Buenos Aires NOTICIAS ARGENTINAS in Spanish 1544 GMT 18 Apr 94

[Text] Buenos Aires, 18 Apr (NA)—A regular-intensity bomb exploded at a private mail service in this capital's Chacabuco Park area early this morning. No injuries were reported.

The explosion took place at the headquarters of the firm Transclair SRL at 1222 Cobo Avenue, near the corner of Centenera Street, at around 0100 local time. It damaged the establishment and adjoining buildings.

According to reports by neighbors, the attack is said to be the result of a "trade war" between companies engaged in the same trade.

One of the company managers, Antonio Gomez Dolzer, said: "We have received telephone threats for a long time. Some shots were even fired at the front of the building four months ago."

For reasons of jurisdiction, police Precinct No. 12 is conducting an inquest into this case. Federal Police bomb squad personnel were called when the explosion occurred.

Joint Staff Chief on Chile's Military Supremacy

PY1804203494 Buenos Aires NOTICIAS ARGENTINAS in Spanish 1917 GMT 15 Apr 94

[Text] Buenos Aires, 15 Apr (NA)—Lieutenant General Mario Candido Diaz, the Armed Forces Joint General Staff [EMC] chief, stressed today that Chile "has a slight military supremacy over Argentina" at the military level, although this "does not represent any problem" because "a small imbalance is compensated for by good understanding and good relations."

The EMC chief described military relations with Chile as "superb" and emphasized: "They have been enhanced during the past few years thanks to bilateral contacts between politicians from the two countries."

In remarks to NOTICIAS ARGENTINAS news agency, Diaz emphasized the visit that Vice Admiral Patricio Arancibia Reyes, the Chilean national defense chief of staff, will pay to Argentina on 18 April.

The goal of Arancibia Reyes' visit is to enhance the mutual cooperation system existing between the two countries to face possible natural disasters in border areas. Therefore, Arancibia Reyes will hold various meetings with local military leaders.

Hinting at the tension over border disputes that had been marking bilateral relations for many years, Diaz said: "Fortunately, the distrust with which we have been living for a long time has disappeared."

Concerning the military side of bilateral relations, Diaz pointed out: "There is a total closeness [acercamiento] that has been enhanced with constant cooperation between the forces." He added that this mutual assistance "has allowed officers from the two nations to take refresher courses."

Diaz admitted that Chile "has a slight supremacy over Argentina at the military level."

Diaz said this point "does not represent any problem" because "a small imbalance is compensated for by good understanding and good relations."

The EMC chief emphasized that for the cooperation tasks that will be discussed during the meetings with the Chilean military officer, "Argentina will contribute with all the experience it has gained during the peace missions carried out throughout the world within the UN framework."

In this regard, Diaz added that the Argentine Armed Forces "have gained worldwide prestige thanks to these missions in which their high level of professional training was demonstr?ed."

Diaz later emphashat in the entire South American region there is a "total balance of forces," for which reason "peace in the area is guaranteed and a possible crisis is not being hinted at."

In this regard, Diaz stressed that relations with all the [South American] countries "are very good," especially with Brazil, Peru, Colombia, and Venezuela, with all of them the exchange of know-how has been increased.

Diaz said Mercosur [Common Market of the South]'s formation "has revitalized joint actions by the armies" of the countries forming it.

The general also explained that military relations with the United States "will be enhanced this year within the assistance program" and announced that Argentina "will receive 14 helicopters that will be assigned to the Army."

Diaz added: "We also have scheduled a visit this year by General McCaffrey, the commander of the U.S. Southern Command headquartered in Panama; and a meeting with General John Shalikashvili, the U.S. Armed Forces joint chief of staff."

Diaz later ruled out the possibility of joining NATO because this organization does not accept the participation of countries far from the Northern Hemisphere. Nevertheless, he guaranteed that Argentina would receive communications and military doctrine technology.

In conclusion, the EMC chief discussed the exercises that will be carried out this year to face the situations arising from natural disasters like floods, fires, and earthquakes.

In this regard, Diaz, who is responsible for these exercises, pointed out that in this field, "a large-scale specific exercise will be carried out with the participation of the three branches, an exercise that will be prepared by the 5th Army Corps, headquartered in the city of Bahia Blanca."

Morocco, Argentina To Strengthen Economic Ties

PY1804211794 Buenos Aires NOTICIAS ARGENTINAS in Spanish 1927 GMT 16 Apr 94

[Text] Marrakech, Morocco, 16 Apr (AFP-NA)—It was announced in Marrakech that Morocco and Argentina today decided to apply "various mechanisms in order to develop their economic, trade, scientific, technical, and cultural relations."

The strengthening of bilateral relations and several international topics were evaluated by Moroccan Foreign Minister Abdellatif Filali and his Argentine colleague, Guido Di Tella, who—after representing his country at the recent Uruguay Round Conference in Marrakech—remained in the country on an official visit.

According to a joint communique, the two parties determined "the agreement of their viewpoints on the main topics that were discussed and the similarity of the evaluations that have been made by the two governments regarding the rapid evolution of international relations."

After lamenting that their economic exchange has not yet come up to the level of their good political relations, the two countries expressed their desire to "consolidate their cooperation in every sphere."

At the end of a meeting in which several other Moroccan ministers participated, Di Tella announced that President Carlos Menem will make an official visit to Morocco "before the end of the year." The exact date has not yet been made known.

The economic exchange between Argentina and Morocco, which was very scarce in the 1980's, has been increasing constantly for the past three years.

Bolivia

Journalists Arrested for Killing U.S. Citizens

PY1804214694 La Paz Television Nacional Network in Spanish 1700 GMT 18 Apr 94

[Text] Two journalists have been arrested by the Ministry of Government. They have been identified as Edith Munoz and David Garcia, both of whom have been charged with having alleged ties with terrorism.

[Begin recording] [Minister of Government German Quiroga] The court investigations are about to be concluded. In keeping with what is established in the law, they were able to see their relatives on 18 April, 24 hours after their arrest, particularly the woman in question.

This afternoon the police will be instructed to allow the press access to those arrested and tomorrow they will be placed at the disposal of the courts.

We have established that they were very closely involved in the killing of the Mormons, especially the woman. Therefore, we are conducting investigations in this direction.

[Unidentified reporter] Do you mean she was more involved than Mr. Garcia?

[Quiroga] Yes, absolutely.

[Reporter] Are they under suspicion for their involvement in terrorist activities?

[Quiroga] Yes. [end recording]

That was Minister of Government German Quiroga, who at Government House referred to the arrest of two colleagues.

One Suspect Released, Further Details

PY1904032994 La Paz Television Nacional Network in Spanish 0100 GMT 19 Apr 94

[Text] Two more people have been arrested in the last few hours in relation to the case involving the Zarate Willka terrorist group. But one of them, photographer David Garcia, already has been released for lack of evidence.

[Begin recording] [unidentified reporter] These men belong to the Zarate Willka Armed Liberation Front terrorist group. The group members became known a few years ago when they murdered two Mormons, two Americans, in La Paz. These images from our files remind us that these men were sentenced, in some cases, to 20 years in prison. In the last few hours police arrested Judith Munoz and David Garcia for their alleged involvement in this case. It has been reported, however, that David Garcia did not have any participation in the murder of the two Mormons. Therefore, Judith Munoz will be formally accused of belonging to the terrorist group.

[Minister of Government German Quiroga] We found a close link between that woman and the Mormons' murder. Therefore, police are carrying out an investigation in that direction.

[Reporter] Reliable Bolivian police sources indicated that a clearly identified jeep was used when the Mormons were murdered. The finding of the jeep at her house lead to Judith Munoz' arrest. [end recording]

Brazil

Increased Tension Along Venezuelan Border

PY1804133094 Rio de Janeiro O GLOBO in Portuguese 16 Apr 94 p 11

[From the "Swann" column: "An Atmosphere of War"]

[Text] A group of 136 Brazilian gold miners have been besieged by Venezuelan soldiers 1 km from the Brazilian border, in the jungle area bordering western Roraima.

The miners hid in the jungle last week, escaping a military operation set in motion by Venezuela to repress gold mining in its territory.

One miner died and seven others—who are still being treated by their fellow miners—were seriously wounded.

Itamaraty has tried to convince Caracas to permit a joint operation for rescuing the besieged miners, who do not want to surrender to Venezuelan soldiers, fearing retaliation.

In Brasilia, diplomats who are following the developments have said that if no negotiated solution is found the Amazonas Military Command will be ordered to unilaterally perform the action.

The report was not officially confirmed, but it prompted consultations between Itamaraty and the Army leadership.

Brazil and Venezuela are playing with fire.

The demarcation of their borders is imprecise and dangerous, as in situations of tension when the two countries' forces come too close to one another.

Jose Altino, president of the Trade Union Gold Miners of the Legal Amazonas, yesterday tried to confirm that a new, identical incident occurred north of Roraima.

Accord Reached Over Illegal Miners

PY1804150494 Rio de Janeiro O GLOBO in Portuguese 17 Apr 94 p 4

[Text] Brasilia—Venezuelan and Brazilian military forces will in the next few days implement a joint operation for removing the 136 gold miners who were illegally exploiting gold in the border zone between the two countries, near Roraima. The "Swann" column of GLOBO yesterday reported that the miners were besieged by Venezuelan soldiers, who last week intensified repression against miners in Venezuelan territory.

Acting Foreign Minister Roberto Abdenur yesterday reported that at the request of the Brazilian Government, Venezuela postponed an operation scheduled for this weekend to blow up the illegal airstrips that the miners had built in its territory.

"We asked for the postponement of the operation to avoid putting the Brazilian miners at risk," Abdenur said, adding that as a result of negotiations between the two countries, the possibility of unilateral action in the region has been ruled out.

Negotiations between the two governments began last week, after Brazilian gold miners charged that their camps had been attacked by Venezuelan forces. Itamaraty has reported that Venezuela is keeping the Brazilian Government informed about all the operations implemented against the miners. According to Itamaraty, during the first operation—which was carried out on 1 April—the miners resisted, one of them died, and two were wounded. The second operation was carried out 10 days later, its objective being to blow up the airstrips.

According to Abdenur, on 14 April the two countries began a coordinated operation to patrol the area and check the number of miners who are illegally operating in Venezuela. The patrolling is being done by military men from the Amazonas Military Command, the Army, and the Venezuelan National Guard. Abdenur emphasized that relations between the two countries are characterized by total cooperation.

According to the last reports received at the Roraima Public Security Secretariat, another eight miners were killed in a camp in Alto Amajari. Two miners who yesterday arrived in Boa Vista said that the attack was

carried out by a beige helicopter used by the Venezuelan National Guard. A Roraima Civil Police helicopter was sent to the area, but found no evidence of the attack. Itamaraty has stated that it is not aware of this attack.

Colombia Expels 200 Brazilian Gold Miners

PY1904011394 Brasilia Voz do Brasil Network in Portuguese 2200 GMT 18 Apr 94

[Text] The Colombian Government last weekend expelled 200 Brazilian gold miners who were clandestinely working in Colombia. This was reported today by regional Federal Police Superintendent Mauro Esposito. He said the gold miners were sent to Tabatinga and are now on their way to Manaus.

Military Buildup in Amazon Region Viewed

PY1804231194 Sao Paulo ISTOE in Portuguese 13 Apr 94 pp 40, 41, 42

[Article by Mario Chimanovitch]

[Text] The town of Chaparro, on the Venezuelan side of the border, is within rifle range of Brazilian territory. From there it is possible to see the increased military activity in the Amazon region. Venezuelans are reinforcing their positions and building a defense line similar to our Calha Norte. There are also rumors that the Caracas Government might be buying missile batteries from Eastern European ex-Communist countries. There is no territorial dispute between Venezuela and Brazil, and this military buildup does not mean that Venezuela is preparing to invade the Brazilian Amazon region. It is just a reaction to the increased Brazilian military presence, which began early in 1993. Military observers have confirmed what high-precision satellites have for a long time detected: The Amazon region has become a training camp for the Brazilian Armed Forces. It is not yet like that of *Apocalypse Now*, the famous Francis Ford Coppola film, but military activities have become routine in the area.

There is abundant evidence of the increased Brazilian military presence in the area. The airport of Boa Vista, the capital of Roraima, is a virtual frontline defense base. The Brazilian Air Force (FAB) has deployed F-5 and Mirage squadrons in the area. They join the Tucano single-engined planes to perform exercises with ground and sea forces. Navy frigates and destroyers are conducting maneuvers in the mouth of the Amazon River, where they have performed beaching exercises. Ex-Army Minister Carlos Tinoco, and current Army Minister Zenildo de Lucena have both transferred military units from central and southern Brazil to the Amazon. The Petropolis Infantry Brigade (Rio de Janeiro) was sent to Roraima and the Santo Angelo Infantry Brigade (Rio Grande do Sul) was sent to Tefe (Amazon). Border platoons are being created to safeguard the military presence in the area. The Tefe brigade camp, for example, will occupy 500,000 square meters and operate along 2,200 km of the border. It will have three jungle infantry battalions, a hospital in Tabatinga (Amazon), and will have 1,700 troops: 500 in Tefe, 900 in Tabatinga, and 300 in Cruzeiro do Sul, in Acre.

The Amazon military unit will have jurisdiction over a highly strategic region: from Santa Rosa in Acre to the Traira River near the Colombian border. It was there that Colombian guerrillas clashed with Brazilian soldiers in 1990. There have been successive incidents in the Amazon since the 1960's, when the Venezuelan Government attempted to take Pico da Neblina, Brazil's highest peak, (3,014 m). In the past few years, intense drug trafficking activities and the growing presence of miners who dispute land ownership with Ianomami Indians, have heightened the tension. Last year Brazil was accused of massacring 73 Ianomamis, although it was later discovered that there were only 19 victims and they were killed in Venezuelan territory. From neighboring Colombia there is also the potential threat of 12,000 FARC [Revolutionary Armed Forces of Colombia], ELN [Army of National Liberation], and EPL [Popular Liberation Army] guerrillas. Those organizations allied themselves with drug trafficking cartels to obtain funds for the armed struggle. According to Colombian intelligence services, the guerrillas are giving armed protection to drug trafficking routes, and they are likely to end up clashing with Brazilian military and police forces. In Peru, the Maoist Shining Path group has allied itself with drug trafficking.

The increased presence of Brazilian military troops stems from a change in the strategy of the Armed Forces. According to studies by the War College (ESG), the increased cooperation with Argentina and the development of Mercosur [Common Market of the South] have reduced the geopolitical importance of the southern region of the country, which has been the traditional point of attention for the military. The hypothesis of an external conflict has moved to the Amazon. What was mere theoretical expectation has become official doctrine: since the beginning of 1993, the new line of the ESG has been blatantly christened the National Strategic Concept. Admiral Hernani Goulart Fortuna, an ex-ESG commander who is now a reserve officer, believes Brazil is now really devoted to the Amazon, which occupies an area that is subject to various international interests. "Brazil does not have border problems, it has problems at the border," he said, adding that it is no longer reasonable to maintain 35,000 Navy and Army men in Rio de Janeiro. Fortuna has written a report entitled: "The Amazon: Real Situation and Political, Strategic Vision." In his report, Fortuna claims Brazilians became more concerned about the Amazon following the end of the Cold War. The admiral explains that the latent conflicts, which were being kept on hold by the nuclear terror balance between the United States and the ex-USSR, have begun to emerge in various parts of the planet, and South America—particularly the Amazon—is not free of this phenomenon.

Sergio Porto da Luz, a reserve sea captain and ESG strategist, has pioneered the thesis of military reinforcement in the region. In his book, *Structure for National Power in 2001*, Luiz criticizes the broadly disseminated concept that the Amazon is a sort of "world lung." Porto da Luz says: "French President Francois Mitterrand has said that the Amazon is an asset that belongs to mankind, where it could be necessary to exercise the right of intervention. International interest in this region, which has been monitored by all possible sources of the First World, is growing." He believes it is necessary to "show to the international community that Brazil is firmly determined to prevent the Amazon from being treated with impunity." General Antenor Santa Cruz Abreu, who headed the Amazonas Military Command for three years, agrees. He says Brazil should never yield to the "spurious thesis" of the so-called relative sovereignty. Santa Cruz believes the measures adopted by the Army to strengthen the defense of the region, and those of civilian nature like those under the Amazon Region Surveillance System (Sivam) are essential to prevent an international strategic plan from being imposed on the country. "If Brazil abandons the Amazon, there will not be a conventional invasion but an attempt to create an international force to preserve the earth's lung," he warns. Army Minister Zenildo de Lucena prefers not to regard the increasing military presence in the Amazon within the context of a possible conflict, but as a guarantee of security and integration.

Not all military men, however, feel free to openly discuss the issue. General Sampaio Maia, current chief of the Amazon Region Military Command, CMA, did not want to talk to ISTOE reporters. According to the officer in charge of the CMA public relations, Gen. Sampaio Maia was "disgusted" at the treatment the press had given to military activities in the region. Nonetheless, on 8 and 9 March, Gen. Sampaio Maia met in Sao Gabriel da Cachoeira, Amazonas State, with General Valentin Porras who commands the 5th Jungle Infantry Division of the Venezuelan Army. The objective of the meeting was to reduce border tension between the two countries. During the meeting, which could not be covered by the press, they discussed the need to improve communications between the Brazilian and Venezuelan armies, to establish more simplified rules for military flights along the border area, and to adopt common procedures to deal with citizens who are caught in irregular situations. One week later, Sampaio Maia received in Manaus the new head of the U.S. Southern Command, General Barry MacCaffrey, who officially conveyed to him the Pentagon's decision not to conduct military maneuvers in Guyana. Brazilian military experts stated that this decision was more than mere courtesy toward the Brazilian officers who did not hide their concern over these maneuvers. Porto da Luz is convinced that Pentagon strategists are aware that Brazil is very seriously considering occupying that territory. Admiral Fortuna said the U.S. Navy proposed to the Brazilian Government to conduct joint maneuvers in the Amazon Region. He even suggested modifying military doctrine and giving priority to the antinarcotics effort.

Within this framework, it can be seen that General Bayma Denys' appointment to the Transportation Ministry was no accident. Gen. Denys, a former secretary of the National Security Council and former head of the Eastern Military Command, knows very well the logistic problems faced by the Brazilian Armed Forces in the Amazon region as a result of the somewhat sketchy highway system. Gen. Denys will begin to repair the main accesses to the Calha Norte project site. To give an idea of how precarious the region's roads are, it takes more than five hours to drive the 200 km that separates Sao Gabriel da Cachoeira, Amazonas State, from the Venezuelan and Colombian borders, and it is impossible to do it during the rainy season. Only recently did the Brazilian Army ensure deployment through the use of Manaus Aviation Squadron helicopters and Brazilian Air Force Buffalo planes. Bayma Denys' appointment to the Transportation Ministry implies the presence of more Brazilian Armed Forces contingents in the Amazon Region.

Franco Lauds Military in Speech to New Generals

PY1904011494 Brasilia Voz do Brasil Network in Portuguese 2200 GMT 18 Apr 94

[Text] President Itamar Franco today congratulated the military officers promoted to general on 31 March. In his speech to the generals, President Itamar Franco mentioned the general elections that will be held this year and the need to guarantee that the process take place in perfect democratic order:

[Begin Franco recording] We are getting close to a decision by the people who will elect their governors. As citizens, we have our candidates, parties, and ideas. In our condition as citizens, we will, as is our duty, struggle for the triumph of the candidates chosen by our conscience. As servants of society it is our responsibility to guarantee the freedom of the voters and the transmission of power within a strict democratic order. [end recording]

President Itamar Franco also pointed out the Armed Forces' cooperation with the government and its understanding in the face of difficult situations:

[Begin Franco recording] When I step down from power I will remember from these difficult months the good relationship with the Armed Forces, in whom I have always found understanding for the sacrifice that the budget restrictions have imposed on us, as well as its limitless contribution to the success of this administration, which, despite the bad will of many people, cannot be denied. We managed to resume our economic development, we are eliminating the public deficit, and effective measures against inflation are being taken. Throughout this difficult process we have always

counted on the Armed Forces' men as part of an institution and as high-ranking members of our administration. [end recording]

President Franco also said that on 20 April he will send Congress a provisional measure establishing the rehiring of the public employees dismissed during the Collor administration.

The president added that he believes there will be a quorum in Congress this week to vote on the URV [Real Value Unit] Provisional Measure. The president said he relies on the good sense of members of Congress. He considers the provisional measure a decisive step in the struggle against the inflation.

Prospects for Immigrant Scientists Examined

PY1604032594 Sao Paulo ISTOE in Portuguese 13 Apr 94 p 43

[Article by Francisco Alves Filho with the collaboration of Peter Moon—all names as published]

[Text] Scientists do not have a fatherland, and science belongs to humanity. These two rules are strictly observed by the more than 40 Russian professors and researchers who have settled in Brazil in the past two years. Their contracts were financed by funds established by the National Research Council (CNPQ). It took them a short time to adapt to the daily routine of Brazilian universities, and to leave behind the fear that the job was more than a short experiment by half a dozen spotted cats. They are feeling better, and it seems they have forgotten the meaning of the word goska—the feeling of missing something or someone—when they talk about the possibility of returning to Russia. They want to stay in the country as long as they can work here.

The distance separating Brazil from a country where professors are paid with dignity is as big as the distance separating Rio de Janeiro from Moscow. In any case, you cannot possibly miss the routines you left behind when salaries were $80 per month. Physicist Grigoriy Surdutovich, 56, was one of the first to come to Brazil. He arrived in January 1992, pushed by the political instability and the drastic budget cuts for scientific activities in Russia. The decline forced salaries down drastically there. Despite the shortcomings, he believes in improving Brazilian research efforts. "The climate in Brazilian scientific circles today is similar to the one in my country 35 years ago," Surdutovich says. The scientist is studying the pressure of light on atoms at the Sao Paulo University (USP) in San Carlos. Artur Elfimov, 50, is the leader of a group of five Russian experts in plasma physics at the Rio de Janeiro State University (UERJ). He says: "If administrators really support the effort, the country could recover the time lost in various areas of knowledge."

The education of the researchers is varied. Galina Pugatcheva and Anatoliy Gusev, of the State University of Campinas (Unicamp), are studying the anomalies of the Brazilian magnetic field. The phenomenon creates 50 percent more lightings in our atmosphere than in any other part of the planet. Another five Russian scientists, contracted to work at the State University of Northern Fluminense (UENF), which was inaugurated on 28 March in Campos, are interested in producing synthetic diamonds. According to UENF patron Senator Darcy Ribeiro (PDT-RJ) [Democratic Labor Party—Rio de Janeiro], 15 researchers from the former Soviet Union will join the team in the near future.

For many the "import" of Russian scientists means savings in time and money. "You need at least eight years of heavy investment to form a professional of this level, and the cost is never less than $200,000," Carlos Augusto Azevedo, head of the UERJ Quantum Electronics Department, says. "Besides, the results of their work do not take long to appear," Azevedo adds. "This immigration has already yielded optimum results," Oscar Hipolito, USP Physics and Chemistry Institute director, says.

All this enthusiasm crashes against one obstacle, however: The law that forbids contracting foreigners as public officials. Rejected by the international community, this limitation has forced the Russian scientists to remain as visiting professors with salaries of $1,000 to $2,000 per month for periods of one to two years. Rectors and professors hide behind the constitutional principle of university autonomy to attack the ban. Their arguments worked in the recruitment of physicist Dmitriy Gitma by the USP in 1992, after he won a public competition.

Gitma is, however, an exception. All other Russian researchers depend on a fund, and many of them accept an additional difficulty of teaching in Brazil: inflation. Physicist Irina Potapenko, of the UERJ, left Russia two years ago. Her salary is adjusted by the dollar exchange rate every three months, despite the disagreement of state public servants. "I live in a university apartment. Just the same, inflation makes salaries barely enough for a condominium and survival." Despite the fact that her salary is corroded by price increases, she admits to being satisfied with the work, and does not contemplate leaving the country. When the legal and economic difficulties are pointed out to her, she answers with the smile of a person who has already begun to know the Brazilian soul: "Take it easy; Brazil is ours," she says.

Chile

MIR Members Involved in Crimes Arrested

PY1804211594 Santiago LA TERCERA DE LA HORA in Spanish 31 Mar 94 p 33

[Article by Osvaldo Navas V.]

[Text] Osorno—Investigative Police have put under the jurisdiction of a court four members of a Movement of the Revolutionary Left (MIR) faction called the National

Liberation Army who are reportedly responsible for, among other crimes, the murder of retired General Renato Varela Correa.

The police report indicates that one year ago the arrested people created a criminal terrorist group based on the military-political concepts sustained by the old MIR. They are currently in the formative stage, seeking resources for their infrastructure and recruiting militants, mainly in area universities.

The arrested, who have been identified as university students, are Pedro Enrique Rozas Aravena, 29, alias "Comandante Puren or Sebastian" who is in charge of the group's political leadership in the southern zone; Marcelo Alejandro Gaete Mancilla, 22; Eric Ulises Maichin Naipan, 27; and Agustin Ricardo Pena Aguilera, 28. Subversive literature and hand weapons were found in their possession.

The crimes committed by the group include: On 30 July 1993, the group held up the Inglesa foundry plant in Santiago's Maipu districts, stealing 8 million pesos and shooting the security manager, retired General Renato Varela, who was director of the Famae [Army Ordnance] and minister vice president of Corfo [Production Development Corporation], and died on 7 August. The group also held up the Condell finance company in Osorno and set a bomb in the Christian Democratic Party's headquarters in Osorno.

The arrested were put under the jurisdiction of the First Criminal Court of Osorno.

Joint International Broadcasting Accord Reached

PY1804134994 Santiago Television Nacional de Chile Imagen Internacional in Spanish 0100 GMT 16 Apr 94

[Excerpt] Television Nacional and Channel 13 have signed an agreement to jointly transmit programs produced by both channels through the international station, by means of our signal, which we have been transmitting since 1988.

Over the past six years the signal of Television Nacional de Chile has gained a significant audience in Argentina, besides having an important presence in Bolivia, Ecuador, Paraguay, Peru, Uruguay, and even the south of Brazil. Making the country known through the television screen is an important responsibility. This company thinks it has succeeded.

But in a world where communications play an essential role, Television Nacional has wanted to take a new step forward. Its highest authorities, headed by Executive Director Jorge Navarrete, signed an agreement with the Television Corporation of the Catholic University of Chile directed by Heliodoro Rodriguez. With this agreement the two most important channels of the country will put together their most important programs for the generation, transmission, and sale of a single and common international signal, which will be transmitted through satellite and will be distributed essentially by cable television, directed to the Spanish-speaking people of the entire continent. [passage omitted]

Colombia

Government Denies Amnesty International Report

PA1704014594 Santa Fe de Bogota Inravision Television Cadena A in Spanish 1730 GMT 15 Apr 94

[From the "Midday Television Newscast"]

[Text] The Colombian Government has reacted angrily to an Amnesty International document that asks the United States to suspend military aid to Colombia because of an alleged increase in human rights violations.

The government today vigorously denied the Amnesty International report, which asks the U.S. Government to suspend or freeze military aid to Colombia because this aid is being diverted to help repress and violate human rights. According to Government Minister Fabio Villegas Ramirez, the international organization is not only misinformed, but it has been acting in an ill-intentioned and biased manner.

[Begin Villegas recording] There is true ill-will in statements Amnesty International frequently issues on Colombia. To ignore the efforts that Colombia has made in the area of human rights, the strengthening of our institutions to face these problems, and the fact that the 1991 reform of the Constitution is based on this nation's desire to overcome its human rights problems—all of this goes beyond simple misinformation on behalf of Amnesty International. It shows bias in the organization's assessment of Colombia. [end recording]

Although there is no legal recourse by which the government can report these irregularities by Amnesty International to another international organization, Colombia will continue its policy of using evidence to prove that it is taking steps to halt human rights violations.

Foreign Minister Views Eastern European Tour

PA1704122994 Santa Fe de Bogota Emisoras Caracol Network in Spanish 1200 GMT 14 Apr 94

[Telephone interview with Foreign Minister Noemi Sanin Posada in Madrid by Dario Arizmendi in Santa Fe de Bogota; from "Caracol's 0600 to 0900" newscast—live]

[Text] [Arizmendi] What is the outcome of your trip, during which you even met with Russian President Boris Yeltsin?

[Sanin] After a complete collapse of the Berlin Wall, we do not have the proper political or legal instruments for a bilateral and multilateral relationship between Latin America and these countries of eastern Europe.

[Arizmendi] What can you tell us about President Boris Yeltsin's visit to Colombia?

[Sanin] He was interested in visiting Latin America, especially Colombia, but obviously every visit by a head of state has to be a productive step forward in relations. It cannot be just a visit to make a speech or a visit for protocol reasons. A visit of this type has to result in significant opportunities for improved cooperation. He asked me to prepare 15 agreements, and once they are prepared, he would be delighted to visit Colombia.

[Arizmendi] What about the rest of the countries you visited, Romania and Hungary?

[Sanin] Important processes are being conducted in the Czech Republic, for example. There is a great consensus on the political and economic reforms. The transformations being carried out in that country in a few years since the 1989 velvet revolution are impressive. It is impressive to see how the parliament, the president, the prime minister, the foreign trade minister, the foreign minister, and the people have united to transform their society. Shops are opening up every day. The arts are developing today more than ever. There is a different political education here. Freedom is in vogue and it is leading to the flowering of each one of man's expressions. It is marvelous to see this awakening.

In Romania the situation is different. There is a little more controversy, but it is marvelous to see what President Ion Iliescu and his government are doing. The parliament is also working to achieve political and economic transformations as soon as possible. They are awakening to this new economic reality. Their privatization process is slower, but it is evident that their economy, political opportunities, and freedoms are opening up. In Romania, I stayed at the house where Nicolae Ceausescu used to live. It was quite impressive.

[Arizmendi] Did spirits show up around you? Perhaps Dracula?

[Sanin, laughing] Ceausescu's spirit may have been around us. We were scared.

[Arizmendi] You are not easy to scare. Not even Dracula can frighten you.

[Sanin] The spirit of Ceausescu can scare anyone.

[Arizmendi] During your visit to Moscow, you made a historic achievement. You were able to get the Russians to condemn the armed struggle in Colombia. How important is the Russian position for the Colombian Government?

[Sanin] It is very significant politically because, as we discussed it there, for many years Russia and the former USSR promoted the armed struggle in Colombia. It was a way of intervening in the internal affairs of other countries. Today, they recognize our democracy and they recognize opportunities for freedom. They have also changed to believe it is best to work through proselytism, regardless of what their ideology may be, than to resort to the use of arms. We all want revolutions and more just societies to meet the needs of the people.

[Arizmendi] The Ibero-American Summit will be held in Cartagena on 14 and 15 June of the present year. Mrs. Maria Emma Mejia, the Colombian ambassador to Spain, had the opportunity to talk about the extent of this meeting the day before yesterday. What heads of state have already confirmed their attendance?

[Sanin] All of them. All heads of state and presidents will attend the summit. Spanish King Juan Carlos I will also attend the Fourth Ibero-American Summit. I want to praise the efforts of the Colombian ambassador to Spain and the efforts of all embassy officials who worked hard for two and one-half months to show our works of art, science, and literature during a Colombian exhibit in Madrid. I also want to congratulate Caracol journalist Carlos Penaloza, who has made a great effort to demonstrate Colombia's real image in Spain and Europe. They are portraying an image that is not one of violence as is sometimes depicted by the media. They are demonstrating our country's values abroad.

Pastrana Discusses Candidacy, Running Mate

PA1804213394

[Editorial Report] Santa Fe de Bogota EL TIEMPO in Spanish on 10 April carried a 1,200-word interview on page 8a with Andres Pastrana, presidential candidate for the Colombian Conservative Party, by El TIEMPO editor Jorge Gonzalez, conducted on the slopes of Sierra Nevada, in the area between Santa Marta and Cienega. Commenting on the results of a poll taken by EL TIEMPO in which Liberal Party, PL, presidential candidate Ernesto Samper is leading, Pastrana feels that was to be expected right after the PL convention and notes the situation will change in the days to come because the presidential campaign has gotten under way.

When Gonzalez notes that the selection of his running mate may have hurt his campaign, Pastrana begins by saying he had asked current Foreign Minister Noemi Sanin to accept the nomination, but she declined. "People are beginning to realize," he adds, that Luis Fernando Ramirez is a good choice "because he embodies the results of the struggle of the people from rural areas."

Gonzalez mentions the possibility of Samper reaching an understanding with Antonio Navarro Wolff of the April 19 Movement, but in Pastrana's opinion the M-19 has clear ideological differences with Samper. Pastrana then adds he has received the endorsement of Gustavo Rojas, son of Gustavo Rojas Pinilla and "true representative of the Anepo [National Popular Alliance] interests." "What we have sought from the PL is the everyday citizens, the civic and business leaders, the new man. That also applies to independent conservatives. The specific strength of a candidacy can hardly be gauged by the number of endorsements," he remarks.

When asked if there was no coincidence that he set himself apart from the conservative congressional candidates, Pastrana replies: "What I wanted was to maintain total independence with regard to past elections. I want to act in line with my supraparty candidacy. I did not endorse those liberals who were elected to the Congress and are now supporting my candidacy." He adds the situation changed after the elections. "That is why I created a multiparty political committee, representing the PL, Conservative Party, and National Salvation Movement, which will be tasked with a large part of the political organization, together with the National Conservative Directorate."

In answering a question as to whether he has gone from a multiparty candidate to the candidate of one party, Pastrana states that those who have tried to label him a conservative have failed "because my actions are those of an open-minded, democratic, multiparty man." "There is room for liberals, conservatives, and independents in a national government," he adds.

Gaviria, CRS Make Agreements Official

PA1804222694 Santa Fe de Bogota Inravision Television Canal A in Spanish 0000 GMT 14 Apr 94

[From the "Seven O'Clock Newscast"]

[Text] The peace agreements with the Socialist Renewal Movement [CRS] will give the former guerrillas the possibility of putting two members into the Chamber of Deputies for the 1994 to 1998 term. CRS leaders went to Narino Palace today.

President Cesar Gaviria and the former CRS guerrillas made official the peace agreements today. For the first time, the former guerrillas entered Narino Palace to announce to the country that from now on they will be a political alternative within the law. This is the fifth guerrilla movement to set aside its weapons during the past six years to reach a peace agreement.

Roundup of Electoral Developments

PA1404202094

[Editorial Report] The following is a compilation of reports on developments related to the elections scheduled for 29 May 1994.

On 9 April several politicians expressed their support to Liberal Party presidential candidate Ernesto Samper, among them conservative leaders Jaime Arias Ramirez, Gustavo Rodriguez Vargas, and Alvaro Paba. Senators Bernardo Gutierrez and Anibal Palacios, of the Hope, Peace, and Liberty Party, and Pastor Dario Silva Silva also announced they will support Samper. (Santa Fe de Bogota Inravision Television Cadena 1 in Spanish 1800 9 Apr 94)

During his tour of the Atlantic Coast, Conservative Party presidential candidate Andres Pastrana visited the municipality of Arjona, Bolivar Department. In Santa Marta, more than 15,000 persons gathered at the Cathedral Plaza to participate in a rally. A large crowd welcomed him in Soledad, Atlantico. On 9 April, Pastrana visited several towns in Sucre and Bolivar Departments, including Tolu, Since, Maria la Baja, and Cincelejo. Pastrana was accompanied by several Liberal Party, PL, leaders, who explained their reasons for supporting him. (Santa Fe de Bogota Inravision Television Cadena 1 in Spanish 0130 GMT 10 Apr 94)

Radio station RCN on 11 April reported the results of a poll conducted by Infomaster Colombia, which showed that PL candidate Ernesto Samper would be the chosen candidate to replace President Cesar Gaviria, but would have to go to runoff elections with Conservative candidate Andres Pastrana. According to the survey, Samper would receive 47 percent of the votes in the first round of elections scheduled for 29 May, while Conservative Party candidate would garner 38 percent. Samper would win the runoff elections with 48 percent of the votes, while Pastrana would obtain 41 percent. The survey reflects the opinion of some 1,550 voters polled in 17 cities from 28 march to 1 April. (Hamburg DPA in Spanish 1855 GMT 11 Apr 94)

Presidential candidate Ernesto Samper referred to the unemployment problem, saying that "we hope to create 350,000 jobs through microenterprises, 120,000 through infrastructure, 100,000 in social investments, and 200,000 by doubling our exports." (Santa Fe de Bogota Inravision Television Cadena 1 in Spanish 0000 GMT 13 Apr 94)

Paraguay

Cuba's Robaina Comments on Blockade, Effects

PY1804222994 Asuncion NOTICIAS in Spanish 16 Apr 94 p 3

[Interview with Cuban Foreign Minister Roberto Robaina; place and date not given]

[Text] [NOTICIAS] What is your opinion as to why the Paraguayan Government did not receive you officially?

[Robaina] I am not here on an official visit; I am visiting Paraguay within the framework of a work schedule that I have for several Latin American countries. Especially those countries that are currently related to the activities of the Common Market of the South (Mercosur). For me, the visit's nature is not important, but the visit in itself is.

[NOTICIAS] What does the fact that Paraguay does not maintain diplomatic relations with Cuba mean to you?

[Robaina] I did not come here to discuss whether there will be diplomatic relations between Paraguay and Cuba. I did not come here to discuss the Paraguayan Government's frame of mind regarding relations with Cuba. That is not the purpose of my visit.

[NOTICIAS] In which spheres can Cuba and Paraguay advance jointly?

[Robaina] We want Paraguayan businessmen to learn about the possibilities of investment that Cuba is opening up for all countries. As brother peoples, the two countries need integration.

[NOTICIAS] How do you manage in your country, taking into account the fact that the economic blockade is still being imposed?

[Robaina] We are suffering from the effects of an escalated blockade. Cuba needs an economic model that includes opening the country up to the world, thus occupying a privileged place in the group of nations.

[NOTICIAS] What mechanisms is Cuba using to counter the blockade?

[Robaina] To try and exist through resistance, and this can be done because the people are technically and scientifically prepared. We are enduring the blockade with what we have done in the social sector, and we have the resources. Despite the blockade, some countries have economic relations with us.

[NOTICIAS] Paraguay has voted in favor of the blockade against your country.

[Robaina] I did not come here to discuss that. The people have nothing to do with the vote of their representatives. The blockade is harsh and one must think of the consequences of it.

[NOTICIAS] What are those consequences?

[Robaina] Despite the blockade that has been imposed by the powers, we are convinced that in Cuba we are implementing a model unique in the world, and that I believe is giving us results because there is sufficient stability in the country and good management of the entire system.

[NOTICIAS] Will you invite other groups to visit your country?

[Robaina] We currently have exchanges between Cuban and Paraguayan parliamentarians. Not so very long ago my country received parliamentarians who were able to observe our reality.

We are looking into the real possibility of inviting other Paraguayan delegations to Cuba so they can truly learn about its social comportment in all its manifestations.

[NOTICIAS] What were the results of your dialogue with the representatives of our Foreign Ministry?

[Robaina] The dialogue was extremely fruitful and very useful because we walked the path that motivated our visit here. I believe that the path that will lead us to really get to know each other is a very important aspect for us.

[NOTICIAS] Are you happy with the treatment you received from our diplomatic representatives?

[Robaina] There is nothing to make me feel unhappy, and besides this is not the first country that I have visited that does not have officially established diplomatic relations with us.

Concludes Unofficial Visit

PY1804232794 Asuncion ABC COLOR in Spanish 17 Apr 94 p 8

[Text] Cuban Foreign Minister Roberto Robaina on 16 April warned that Paraguayan businessmen who "want to invest in the Caribbean island will have to endure a lot of pressure. There must be no doubt about this. But if he overcomes this stage of foreign pressure he can be quite sure he will be successful."

He explained that the lack of raw materials or qualified labor is not the investment problem in Cuba; it is the pressure that will be applied by U.S. businessmen. "For every 10 people who want to invest in Cuba, only two stay because he who believes he is the owner of the hemisphere and the world threatens the businessmen with ruining their businesses in other places," he said.

Notwithstanding, he invited, as he has done in other South American countries, a group of Paraguayans to visit Cuba and learn about its reality, and where they will have the opportunity of talking with specialists in various sectors and thus observe what is occurring in Cuba. He also indicated that they will be able to speak with foreign businessmen who already have risked investing in the island so they can learn the truth.

When he was asked whether trade would be difficult because Paraguay does not maintain diplomatic relations with Cuba, he said no. "Diplomatic relations are not justified when the benefits do not reach the people. In that case it is much more convenient to have trade relations so we Cubans do not keep our products and so Latin America can sell us what we need," he said. As an example, he indicated that diplomatic relations with Colombia began through trade relations.

Robaina concluded his unofficial visit to our country during the afternoon of 16 April. At 1530 he went to Silvio Pettirossi Airport to board a private plane, in which he arrived on 15 April, to fly to Posadas (Argentina)

Rodriguez Comments on Relations With Cuba

PY1904030094 Asuncion ABC COLOR in Spanish 17 Apr 94 p 8

[Text] Former President General Andres Rodriguez, retired, stated on 16 April that he had spoken with Fidel Castro four times when, together with other Latin American countries, they asked him to put his country on the road to democracy, something the Cuban leader refused to do. "Moreover, we can now happily observe that there is the beginning of an opening on the Caribbean island,"

Rodriguez said after a meeting with Cuban Foreign Minister Roberto Robaina at his home in the Asuncion neighborhood of Las Carmelitas.

"The systems that are in force in friendly countries must be respected, but at least we must indicate the interest that exists in wanting them to follow the same (democratic) path and the same course to improve relations between one country and another," [Juan Carlos] Wasmosy's predecessor said.

He stated that it has not been possible until now to reach a stage of transition in Cuba like the stage occurring in our country, but he expressed his hope that this democratic opening will open up new horizons and thus involve the political sector.

When asked if the Wasmosy government's position of not maintaining diplomatic relations with Cuba is the best one, Rodriguez said: "Diplomatic relations cannot be discussed before Cuba has a democratic system or opening. The foreign minister (Luis Maria Ramirez Boettner) is trying out the possibility of maintaining trade relations. But at this time I cannot give an opinion; only the government and president can give an opinion."

Rodriguez stated that he would vote in favor of the U.S. blockade of Cuba if the possibility arose in an international forum, such as the occasion on 3 November 1993 when our country voted against Cuba. Paraguay was the only Latin American country to do so with the exception of Argentina, which abstained.

Peru

Shining Path Peace Plan Causes 'Confusion'

PY1804204894 Madrid EFE in Spanish 1819 GMT 18 Apr 94

[Text] Lima, 18 Apr (EFE)—The peace proposal made by the Shining Path [SL] on 16 April over a Lima television channel has created some confusion and led to some speculation regarding President Alberto Fujimori's relationship with the SL leadership, which may end in amnesty for all terrorists.

The proposal made by one of the hooded terrorists who appears on the video sent to several television channels points out the need for a peace agreement, under the condition that the terrorists suspend their attacks and the government its antiterrorist struggle.

During the political program "En Directo" [Straightforwardly], broadcast on 17 April in the evening, journalist Fernando Rospigliosi disclosed that President Fujimori on 15 April visited the Yanamayo prison where several terrorists, among them Osman Morote, who is the second or third highest SL leader, are held under arrest.

According to Rospigliosi, Morote, with a smile on his face, delivered a gift to the president, but as he could not get it through the bars, the cell door was opened and Fujimori entered it, where he exchanged brief comments with Morote.

This year Fujimori also shook hands with SL leader Edmundo Cox in the prison where he is being held, and it is said that Fujimori sent [Abimael] Guzman a letter on his birthday in December, although that information was denied at the time.

According to Rospigliosi, these facts "are worrisome" and may end up with Fujimori, if he runs for reelection in 1995 and wins, pardoning the terrorists.

However, recently Fujimori asserted that no sentence against terrorists, whether they belong to the SL or the Tupac Amaru Revolutionary Movement (MRTA), will be reviewed.

The fact is that the SL leaders under arrest, since Abimael Guzman sent his first two letters to Fujimori in September and October 1993 proposing peace, smile and treat the chief of state respectfully.

There are also versions stating that the terrorists' attitude is merely a SL maneuver, because in truth they continue their attacks, headed by Oscar Ramirez (aka Feliciano) and a group of women that have not paid heed to Guzman's order to halt acts of violence.

In the opinion of terrorism expert Carlos Chipoco, the SL wants peace because "it is very weak and virtually defeated from the military viewpoint."

According to the monthly PERU-PAZ, since Guzman was arrested on 12 September 1992, the SL "has been incapable of recovering its guerrilla action power" it had before the leader was arrested.

The latest data reveals that during the first quarter of 1994, 111 people died as a result of political violence compared to 573 for the same period in 1993.

Peace Accord Divides Shining Path Abroad

PY1804172094 Lima LA REPUBLICA in Spanish 4 Apr 94 pp 16-17

[Report by Angel Paez]

[Text] The Shining Path [SL] cells in Europe have also become divided over Abimael Guzman Reinoso's decision to reach a peace agreement with the government. One group, headed by Luis Arce Borja and Adolfo Olaechea Cahuas, is against a dialogue with the government, while the other, headed by a close relative of Guzman, is in favor of laying down arms.

The Sol Peru Committee in Paris, in a bulletin which it started publishing recently, confirms its obedience to the self-styled "President Gonzalo" with the argument that "the great masters of the proletariat (also) carried out

negotiations and signed peace agreements," and accused a "small black group" of questioning the SL leader's decisions.

According to the publication—which unlike EL DIARIO INTERNACIONAL, whose editor is Luis Arce Borja, does not indicate the name of its editor—this opposition group is "made up of a handful of opportunists who have banded together in a crazy and heated attempt to divide and create confusion in lashing out against the peace agreement proposed by our leadership."

Apparently Luis Arce Borja, who lives in Brussels, and Adolfo Olaechea Cahuas, who heads another "Sol Peru Committee" in London, form the "small black group."

Arce and Olaechea have both stated through their publications that the peace agreement being negotiated between Abimael Guzman Reinoso and President Alberto Fujimori is a great hoax, as they maintain that the letters were not written by the SL leader, nor is it he who appears in the videos, but rather an actor who looks very much like him.

But the basis for Arce and Olaechea's argument is that there isn't a single note from Guzman explaining the grounds for the proposal for a dialogue with the enemy. Arce even created an "interview" with Guzman, fabricated from old interviews and documents, in which he is made to say that an agreement with the regime is unfeasible.

In this regard the Sol Peru Committee in Paris states that those who maintain "with great insolence that President Gonzalo's letters and his proposal for a peace agreement are false and an invention have no arguments left in view of the overwhelming truth, (because) they will have to argue against 2,500 prisoners of war from throughout the country who have declared through a communique that 'they will not take a single step without President Gonzalo's guidance,' also repudiating the provocation and black campaign against the proposed peace agreement."

The Sol Peru Committee in Paris refers to the documents issued last December by SL members held under arrest in Miguel Castro Castro prison in Canto Grande, which endorse Guzman's letters to President Alberto Fujimori and uphold "the new decision and definition to strive for a peace agreement, (because) the people need it."

The document drafted by the SL members in France—which clearly refers to the groups abroad that have sided with Oscar Ramirez Durand, "Comrade Feliciano," who is against the peace agreement and acknowledges Guzman's leadership only until the second SL Congress, which is when "Feliciano" will allegedly take the reins of the organization—asserts that "the opportunists and alleged 'upholders' of the peoples' war who have settled in Europe will not be able to shout (...) that 2,500 prisoners of war of the Communist Party of Peru are "crazy," "stoned," or have been declared under "psychological pressure," and less still that they 'have sided with Fujimori's government.'"

The document goes on to state: "They will have to bite their dirty tongues and swallow the disgusting things they have said," "(because) one (cannot) label fellow comrades with renowned devotion as people who have 'surrendered' or as 'repentants,' which is how the black campaign against the peace agreement intends to describe them: Maria Pantoja, Martha Huatay, and Angelica Salas Osman Morote, who met with President Gonzalo, and (Comrade) Miriam (Elena Iparraguirre Revoredo) have passed on President Gonzalo's instructions."

The bulletin is more precise: "(The members of the 'small black group') will not be able to direct their disgusting charges against clean militants such as Edmundo Cox, Sybila Arredondo, (Victor) Zavala Catano, Maritza Garrido Lecca, etc., with the purpose of creating division in the work of the Communist Party of Peru abroad."

Cox Beuzeville is the author of a letter to Colonel Gabino Cajahuanca, director of the Castro Castro prison, in which he explains his efforts to convince his comrades to struggle for the peace agreement. He writes: "My commitment is full, total, unconditional, public, decided, and definite, to achieve what everybody needs: the peace agreement."

The bulletin of the Sol Peru Committee in Paris published the letter from Cox Beuzeville and the prisoners of Canto Grande advocating obedience to the new guidelines of Guzman Reinoso. The letter says: "We strongly and unavoidably adhere to our leader, to our dear and respected President Gonzalo, with firmness and determination for the new great decision: the struggle for the peace agreement!"

In these terms the SL cells in Paris show their total disagreement with the position taken by Olaechea Cahuas and Arce Borja, known for their SL propaganda, who are at large and under process of extradition.

The two, through DIARIO INTERNACIONAL, contend that "agreeing with Fujimori's 'letters' means disregarding the general political guideline of the revolution established by Abimael Guzman, and denying the validity of the party's program, the strategic objective of which is the seizure of power throughout the entire country and the creation of the Popular Republic of Peru."

The two leaders also said that "the people's war cannot be negotiated, and there cannot be any dialogue with this reactionary and criminal government. The decision made by the revolutionaries is to destroy the old state and finish off the Armed Forces and the police" and "these objectives cannot be achieved with deals or 'peace talks.' The class struggle cannot be auctioned off."

This position is the same as that held by those who publish EL DIARIO in Lima. Last January EL DIARIO published a communique from the "Committee of Relatives of Political Prisoners, War Prisoners, and Those Missing of Peru" attacking the SL leaders who are in favor of the peace agreement. The communique says:

"We raise our voices and belligerent souls to denounce, condemn, and reject with the deep hate of the classes the sinister actions of that handful of known and proven capitulators, informers, and cowards who would not sacrifice their lives, the execrable revisionist bitches (...) who have been mobilized through different prisons of the country to spread the so-called peace agreement, openly crying out for capitulation, reporting everyone, and taking refuge in the repentance law."

This is the combat line of Oscar Ramirez Durand, Comrade Feliciano, which consists in asserting that the entire campaign for the peace agreement is a plot to destroy the Communist Party of Peru-Shining Path, PCP-SL, to put an end to the "people's war" and mainly kill Guzman. "(This sector) persists alone in the counterrevolutionary hoax within the premeditated, treacherous, and furious plan to murder President Gonzalo, thus uselessly attempting to spread capitulation among our heroic people, liquidate the party, and destroy the people's war."

And in the recent issue of EL DIARIO, February-March, justifying the attack against the Metro commercial center and the fire at the Callao Naval Base, among other actions, the subversives say that the attacks "show in fact that the people's war continues unavoidably."

But the Shining Path leaders of the Sol Peru Committee in Paris say that the sabotage is an action of the PCP-SL with the objective of demonstrating its capacity for negotiation, carried out based on "the new great decision and definition" which is the struggle for the peace agreement.

"What would be the purpose of a 'peace agreement' in Peru?" asks Arce Borja in an article in EL DIARIO INTERNACIONAL. He answers: "The only ones who will benefit from a 'peace agreement' are exclusively the enemies of the Peruvian people, mainly the imperialist forces."

According to the Sol Peru Committee in Paris, Arce Borja and Olaechea Cahuas would be the "opportunists and sellouts who are carrying out a dirty campaign with the so-called pretext of supporting the people's war and attacking our leadership. They are reactionary dark leaders whom the people will know how to punish."

LA REPUBLICA was able to contact by telephone a spokesman for the Shining Path cells in France, who only confirmed the authenticity of the bulletin.

LA REPUBLICA also talked with Adolfo Olaechea Cahuas, SL chief in England and head of another Sol Peru Committee in London, who acknowledged as real the French bulletin and identified its writers. Maximiliano Duran Araujo, brother-in-law of Osman Morote Barrionuevo and brother of Teresa [Juana Teresa Durand Araujo de Morote, aka Comrade Doris], is an SL leader on the Central Committee who has been living in France for years, and is currently in hiding.

We asked Olaechea if he was the one.

He said: No, it is someone else. A relative of Guzman.

Subversive Activity Drastically Reduced in Huaraz

PY1404230094 Lima EXPRESO in Spanish 4 Apr 94 p A12

[Article by "special correspondent" Carlos Aponte]

[Text] Subversive activities in Huaraz Province, Ancash Department, are about 80 percent under control. Therefore, the population that lived in uncertainty and panic for many years due to the daily murder of government officials by the Shining Path is returning to tranquillity and security.

Commander Jorge Fernandez, chief of the Mechanized Infantry Battalion, told EXPRESO that the pacification process in this part of the country is in progress through the fulfillment of all the plans established by the government to dismantle the small Shining Path groups that still are operating in different parts of the nation. He added that the Armed Forces—National Police and Army—were successful in dismantling the different Shining Path groups that were operating in the area because of the participation of the population that, far from feeling fear, reported the subversives and gave information that led to their capture.

Fernandez added that another factor that led to finding out the whereabouts of top Shining Path military leaders was the delicate intelligence operation carried out for a long time with the participation of highly qualified and trained personnel to face any situation.

During the last two years, the Army has dealt hard blows to subversion. According to statistics, the Army broke up 53 military and logistical commands operating in different areas, mainly in Chiquian and Callejon de los Conchucos, areas that were under Shining Path control for many years.

Fernandez said: "The cooperation of the population and the peasant defense patrols was a key element in breaking up the important military commands that were operating in the different settlements of Huaraz. And now we are seeing the results."

He said that in contrast with other departments in the country, in Huaraz only a small group of subversives—seven all together—decided to abide by the Repentance Law, because they realized that their so-called "armed struggle" failed after the capture of their highest leader, Abimael Guzman Reinoso.

He added that the Army is protecting them and is fulfilling the orders given by the president through the Repentance Law. Many of those who repented have given valuable information that contributed to the capture of the main subversive leaders.

Regarding the possibility that Shining Path leader Julio Cesar Mezzich may be operating in Huaraz, Fernandez said there are many reports about his presence in the area but they have not been confirmed yet.

He did not discard, however, the possibility that Mezzich may be hiding in the high area of Huaraz under another name, and that this is why patrol operations are carried out in all the peasant settlements.

Defense Changes Affect Intelligence Service

PY1404233094 Lima EXPRESO in Spanish 3 Apr 94 pp A16-17

[Article by Damian Retamozo]

[Text] According to different sources, the government goal to strengthen the National Intelligence Service (SIN) has caused, paradoxically, the weakening, almost the dismantling, of the country's best-qualified intelligence organization, the Special Intelligence Group (Gein) of Dincote [Counterterrorism Directorate].

Gein was created in mid-1989 at the initiative of Major Benedicto Jimenez Blaco, a brilliant Dincote officer whose obsession was to capture Abimael Guzman.

His dedication, almost romantic, to the struggle against terrorism was known among his colleagues. Jimenez convinced chiefs and those under him that the only way to capture the Shining Path founder, the author of the so-called "Gonzalo thoughts," was through the systematic use of intelligence information.

With the support of former Dincote Director General Fernando Reyes Roca, Benedicto Jimenez began the training of about 15 selected policemen. But it was still an improvised and not very coherent group. Later, the new Dincote director, General John Caro, gave the organization a real push until he made it into an efficient intelligence organization.

Gein increased its specialized personnel to 53, and without any doubt the best thing it did then was to locate the refuge of Abimael Guzman on 31 January 1991. It was a house located on Bellavista de Chacarilla Street. Police found the famous video showing Guzman dancing to "Zorba the Greek" there, a large amount of internal documents on the Shining Path and its main members, and cassettes with the voice of Abimael Guzman. This work was decisive for Guzman's capture in September 1992.

Gein reached its peak with Ketin Vidal, who took over as Dincote chief in December 1991. The number of its special agents went to 83. Dincote personnel talked with humor about "Benedicto thoughts" in contrast to the Shining Path's "Gonzalo thoughts."

At the same time, Dincote operational units, the Deltas and Divicotes, received major logistical support with high-technology electronic equipment. Examples: small wireless telephones that are very easy to install anywhere, highly sensitive electronic "ears" capable of hearing and recording conversations from 60 to 80 meters away or through walls to hear a conversation, and photographic cameras and film equipment to capture images in the dark.

Abimael Guzman's capture gave major popularity to Dincote and especially to its chief, Ketin Vidal. According to some analysts, this situation made some prominent government members jealous, who decided to transfer Vidal to an administrative position in the National Police.

Later the SIN swallowed the best-qualified group in Gein. Benedicto Jimenez and about 20 of his men joined the SIN on orders from the authorities. Jimenez is now an instructor in this national intelligence organization.

In this regard, a top police officer whose identity we obviously must keep confidential said: "What happens is that the SIN is now the organization that wants to score the points. The SIN, which for years was not able to form a qualified countersubversion team, now wants to improve its image, and to do that it brought the best Dincote scorers into its ranks. The idea is that from now on the success will be by SIN and not Dincote.

According to the National Defense System, Dincote is regarded as merely an operations unit. It is not in charge of any intelligence work, but was forced to do so in view of the fact that they needed precise intelligence information on the Shining Path. The SIN, which was supposed to provide this information, was unable to do so. Gein made up for this deficiency.

The government now has ordered strengthening and giving more importance to the SIN, headed by Division General Julio Salazar Monroe, although many believe that the "de facto" SIN chief is retired Captain Vladimiro Montesinos Torres.

The SIN is the main organization that collects the work produced by its subunits: The Army Intelligence Service (SIE), the Navy Intelligence Directorate (Dina), and the Air Force Intelligence Directorate (Difap).

According to the established scheme, the SIN chief has the status of a minister of state. He presides over a small cabinet that submits a daily report containing strategic information at a nationwide level on the military, nonmilitary, and sectorial areas to the president of the Republic's office. This report includes updated socioeconomic, political, and psycho-social information.

The intelligences services subject to the Interior Ministry (among them is the Dincote intelligence group) fall under the Interior Ministry Intelligence General Directorate [Direccion General de Inteligencia del Ministerio del Interior] (Digimint).

Will the strengthening of SIN harm the country?

We asked former Dincote chief Gen. John Caro, who now has become an analyst of the terrorism phenomenon, this question.

"It might affect Dincote but not the country. Let us wait and see. I hope that with well-trained personnel and the modernization of its technology, SIN will do a good job. We know that the Shining Path remains in Ene Valley, Huallaga, and other areas of the country. In the struggle against terrorism, precise intelligence information will always be welcome wherever it comes from. Now we probably will have a real national intelligence service that will be better than that provided by Dincote in metropolitan Lima."

After consulting various sources, it can be said that Dincote will not be broken up or dissolved as some extremist versions have stated.

Dincote has experienced a moderate reduction of personnel but at a level that does not affect its operational capacity. Moreover, its logistical equipment has not been transferred to other units as some have stated.

The recent arrest in Chiclayo of an important MRTA [Tupac Amaru Revolutionary Movement] cell, including an Italian terrorist who belongs to the terrorist group, was the result of intelligence work by Bredet [Special Brigade of Detectives Specialized in Terrorism]-Dincote, headed by Colonel Juan Gonzales Sandoval.

However, aside from this operation, the number of significant arrests has dropped. Dincote's actions seem to have shrunk.

Gen. John Caro tries to explain: "The catch tends to drop when many fish in the same pond have been fished. We already have arrested between 80 and 85 percent of the leadership. There are some 15 to 20 percent that remain to be arrested. This does not mean that Dincote has lowered its guard. But it is a fact that it will more difficult to arrest them now because they are alert. The cost of each arrest, logically, will increase because a lot more fuel, a lot more personnel are necessary..."

Lima Archbishop Urges Independence of Judiciary

PY1504171294 Lima LA REPUBLICA in Spanish 4 Apr 94 p 4

[Excerpt] Msgr. Augusto Vargas Alzamora, the Lima archbishop and Peruvian primate, yesterday harshly criticized the lack of independence enjoyed by the judicial branch and urged magistrates to act according to their conscience and not yield to any form of alien pressure and not rule according to the circumstances. He also urged them to step up their investigations to determine whether those brought before the court are guilty or not.

Vargas Alzamora gave a news conference after the Easter Sunday mass in the Lima Cathedral. He indirectly referred to the Goldman report disclosed last Thursday, 31 March, in Washington which criticizes the reform of the judicial branch following the self-styled coup staged by President Alberto Fujimori on 5 April 1992.

Vargas Alzamora told LA REPUBLICA: "It would be fatal for the country if the judicial branch did not enjoy independence." He recalled that the commission of international jurists headed by U.S. law professor Robert Goldman referred to serious deficiencies in the administration of justice in Peru and recalled that it recommended the elimination of the faceless judges and a substantial amendment of the antiterrorist laws that had allowed the sentencing of innocent people.

During his usual meeting with the media in the main hall of the Lima archbishopric, Vargas Alzamora said: "The only thing I can tell the judges is to be loyal to their conscience, do not yield to any pressure, and do not condemn those being tried for circumstantial reasons. I urge them, from the bottom of my heart, to exhaustively investigate cases and prove that the charges are legitimate. The contrary would be fatal to the country." [passage omitted]

Figures Released on Antidrug Operations

PY1404222794 Lima EL PERUANO in Spanish 4 Apr 94 p A3

[Text] The government policy in the struggle against illegal drug trafficking has allowed the Armed Forces and the National Police, which are operating under a single command, to seize 28,782 kg of drugs such as cocaine base, cocaine hydrochloride, and marijuana in a little more than three years. During that period these forces captured 12,975 drug traffickers and confiscated 415,000 kg of precursors used by the mafia "firms" to make drugs.

According to Executive Agency for Drug Control (Ofecod) statistics, 3,108 drug addicts were arrested nationwide in 1993.

Ofecod also reported that in 1991, drug seizures reached 5,859 kg. In 1992 the amount was 8,800 kg, which included 8,341 kg of cocaine base, 231.402 kg of cocaine hydrochloride, and 227.038 kg of marijuana.

In 1993, antidrug operations seized 9,461.511 kg of drugs, including 8,586.757 kg of cocaine base, 436.727 kg of cocaine hydrochloride, and 437.762 kg of marijuana.

From January to 24 March 1994, drug seizures reached 4,532.675 kg of cocaine base, 18.832 kg of cocaine hydrochloride, and 110.051 kg of marijuana.

The number of drug traffickers arrested in 1991 was 3,664, 4,195 in 1992, and 5,022 in 1993. In the first three months of this year, 94 drug traffickers were arrested.

The police operations also allowed the seizure of 105,527 kg of precursors in 1991, 185,895 kg in 1992, and 90,288 kg in 1993, and 33,323 kg in the first three months of this year.

According to estimates by the Interior Ministry and the Dinandro [National Antidrug Division], the antidrug forces confiscated properties, furniture, equipment, and money worth about $51.65 million from the "firms" in 1993.

The goods include 41 properties in Lima and the provinces and 115 vehicles including cars, trucks, small airplanes, speedboats, and motorcycles.

Dinandro also reported that 1993 operations against drug traffickers in the Upper Huallaga led to the destruction of 41 labs for processing drugs and 28 maceration pits.

From 1 January to 10 March 1994, the police destroyed 12 labs and 11 maceration pits for making cocaine base. It should be pointed out that the largest amount of maceration pits, 315, were destroyed in 1992.

Police Unequipped To Fly at Night Against Traffickers

PY1804212794 Lima EL PERUANO in Spanish 5 Apr 94 pp A6, A7

[Text] EL PERUANO was able to establish that the struggle against drug trafficking in the Upper Huallaga could be more effective if the helicopters the Air Police use in the thick jungle areas were equipped to fly at night.

This is because of the new tactic used by Colombian drug traffickers who land their modern aircraft at night, taking advantage of the fact that police aircraft do not have night vision devices to detect them and react immediately.

An Air Police member commented: "When we started our antinarcotic operations in the Upper Huallaga we struck hard blows against drug trafficking but all these operations were carried out in the daytime. Now the Colombian traffickers carry out their operations at night, which complicates matters for us."

In addition to limited operational capacity are the helicopters' years of service. In the 60's, the UH-1 helicopters played an important role in the Vietnam war due to their great maneuverability and their capacity to escape unhurt from the most incredible war situations.

However, 30 years later, it can be said that the UH-1 helicopters have completed their operational cycle. Therefore, those operating in the Upper Huallaga must be replaced. Accidents have occurred, but the Peruvian police pilots' skill has prevented greater disgraces.

Another member of the force said: "We need training to operate at night with night vision devices, because this would make our work more effective. If we had this our actions would certainly seriously wound this illegal trade."

This policeman has every right to say what he said because the information supplied by the silent DEA aircraft, which operates with its turbines off in the middle of the night in the jungle, cannot be used by the Peruvian pilots because their aircraft only fly during the day.

Although this has by no means affected police pilots' morale, neither can it be said that their effectiveness is minimal. Facts prove it: The results would be much more significant if only they were to operate under other conditions.

Colombians Use New Drug Shipping Center

PY1804224594 Lima EL COMERCIO in Spanish 4 Apr 94 p A13

[Article by "special correspondent" Jose Antonio Indacochea Alvarez]

[Text] Puerto Maldonado—Since mid-1993, Peruvian and foreign drug traffickers have chosen Puerto Maldonado as the shipping center and exit point for drugs produced in Peru in their attempt to dodge the cordon established by the security forces in the traditional cocaine production areas.

This was proved by three operations carried out by the armed and police forces during the past five weeks, during which the largest amounts of drugs were seized.

A total of 3.5 metric tons of washed cocaine base paste were seized on 26 February at Boca Manu airport and more than 1 metric ton of cocaine base paste on 24 and 26 March at an airstrip in Inapari, capital of Tahuamani Province.

In every case the cocaine was ready to be loaded on an aircraft bound for Colombia, where it was going to be made into cocaine hydrochloride that would then be sold in the United States and Europe.

It was disclosed that the drugs seized in Boca Manu belonged to the "Cachique Rivera firm" and that Colombians were involved.

It also was disclosed that the drugs seized during the two latest operations at Inapari airstrip and the Santa Rosa de Fatima farm (15 km from the Shirimayoc checkpoint on the Brazilian border) allowed the breaking up of another "firm" that supplied drugs to an organization of Colombian drug traffickers headed by an individual identified as "Guido Correa."

PNP [Peruvian National Police] General Sixto Gutierrez, head of the PNP 10th Region, told an EL COMERCIO correspondent that "Guido Correa" lives in Cauca Valley (Colombia), from where he directs his organization.

In view of the harassment by security forces in Upper Huallaga, Ucayali, and Ayacucho (where his aircraft used to land to load drugs), he decided to find another place for his shipments.

For this reason he sent to Peru six members of his organization identified as "Andres," "Dario," "Tarzan," "Bebito," "Lazo," and "Cucaracha," who clandestinely entered the country between 14 and 15 March through the "Palestina Peru" area on the border of La Convencion (Cuzco) and Ayacucho. They were received there by Peruvian citizen "Caliche," with whom they made their first contacts.

From there they decided to send to Inapari Colombians Miguel Manosalva Contreras, 26, Ruben Dario Arango Santa, 35, and Andres Ramirez Piedraita, 32, as well as Brazilian Alsimar Marquez Da Silva, to buy drugs.

Once in Inapari they contacted "Fernando," who is the organization's coordinator and, with "Piston," the main drug supplier.

Thus they managed to gather an initial amount of 400 kg of cocaine base paste, which they shipped to Colombia on 20 March. Since they saw that there seemed to be no problems they decided to continue operating in Inapari and, what is more, built an airstrip on the Santa Rosa de Fatima farm.

The Army and the PNP, however, thanks to intelligence work, found out about this new organization and carried out an operation that allowed them to seize more than 1 metric ton of cocaine base paste and arrest 23 drug traffickers. Two policemen also are being investigated.

Suspected Major Figure in Money Laundering Arrested

PY1804233894 Lima EXPRESO in Spanish 4 Apr 94 p A16

[Excerpt] One of the front men for the Peruvian Cachique Rivera family, engaged in drug trafficking, was arrested on 2 April in the capital after the Antidrug Division (Dinandro) exhaustively investigated an accounting office involved in "laundering" money obtained from drug trafficking, according to Peruvian National Police [PNP] sources.

As is known, the Cachique Rivera brothers belong to one of the most important "firms" that supplies drugs to the Colombian Cali cartel. According to information obtained by Dinandro, they have become the drug trafficking leaders in Peru after the arrest of Demetrio Limonier Chavez Penaherrera, aka Vaticano.

The alleged owner of the "enterprise," whose identity was not disclosed, was arrested when he was driving a luxurious metal blue Toyota Tercel vehicle, license number DO-3801, in a capital neighborhood. According to the source, Dinandro uncovered the front man after exhaustively and patiently investigating an accounting office in Lima.

Despite the secrecy in the case, it was leaked that Dinandro's Finance Division, with the technical support of auditors, established that the financial movements did not match the activities carried out by this "front" enterprise.

The source added that after checking the relationship between the arrested individual and the Cachique Rivera drug trafficking family, personnel from that "enterprise" were exhaustively investigated.

Dinandro thus carried out the successful operation on 2 April when it was proved that the Cachique Rivera's front man was involved in "laundering: drug money.

It is known that Dinandro Chief General Walter Taboada Milla has ordered that investigations into the case continue.

Taboada said the Cachique Rivera gang is formed by four brothers from Tingo Maria—Abelardo, aka Teniente; Adolfo, aka Alferez; Segundo, aka Capitan; and Nicolas, aka Mayor.

According to the source, the Cachique Rivera family is headed by Abelardo, aka Teniente, the cruelest of the brothers, who—according to the police—heads the operations of the "firm" from Colombia. Segundo, aka Capitan, is in charge of running the "business" in the jungle. The other two, according to the source, are in charge of collecting the money from drug trafficking.

Taboada said the arrest of these criminals is a matter of days. Peruvian and Colombian authorities are continuously exchanging information to find the "narcos."

He ended by stating: "We are following them closely. They are constantly going to Colombia. We hope to arrest them in a few days."

The sister in the Cachique Rivera family, Margarita, 30, was arrested on 20 March in Lima on an arrest warrant issued by the Lima court on charges of drug trafficking. [passage omitted]

Roundup of Economic Reports

PY1404204794

[Editorial Report] The following is a compilation of reports on economic activities in Peru through 14 April:

The Overseas Economic Corporation Fund of Japan will grant $21.5 million loan to Peru to co-finance health services projects; the IDB also agreed to grant $68 million to partially finance them. (Lima EL COMERCIO in Spanish 30 Mar 94 p 1)

Central Reserve Bank, BCR, President German Suarez Chavez has reported that the Peruvian financial system is obtaining an average $120 million per month abroad, which implies a major effort by the institution to increase its real U.S. dollar value. Suarez said that in March the BCR purchased $160 million on the exchange market to maintain the U.S. dollar real value. (Lima EL PERUANO in Spanish 30 Mar 94 Political Section p B2)

Peruvian Foreign Minister Efrain Goldenberg and German Ambassador to Peru Franz von Mentzingen signed a 140-million mark, $70-million, cooperation agreement to implement potable water, and sewage system projects. The German Government is granting 30 million marks of this loan as non-reimbursable financial cooperation to build the Chiclacho sewerage system. (Lima Radio Programas del Peru Network in Spanish 1800 GMT 11 Apr 94)

The Cuanto organization has stated that the March inflation rate stood at 2.6 percent, while Apoyo stated that it stood at 2.3 percent. Cuanto reported that the accumulated inflation rate for the year's first three months was 6.1 percent, while Apoyo reported that it was 5.7 percent. (Lima LA REPUBLICA in Spanish 1 Apr 94 p 11)

Energy and Mines Minister Daniel Hokama Tokashiki on 4 April reported that two major Japanese banks will invest $200 million to finance electrification projects in rural zones. The first stage will be implemented in Puno Department and will benefit more than 1.8 million poor people. (Lima EXPRESO in Spanish 5 Apr 94 p A12)

The World Bank has granted a $34 million loan to Peru to finance 76 percent of the Health Ministry basic health and nutrition program in 200 shantytowns of the Lima District of San Juan de Lurigancho, and in the Grau, Inca, and Northeastern Maranon regions. (Lima EL COMERCIO in Spanish 6 Apr 94 p ?)

The Inter-American Development Bank has agreed to a $400-million loan to Peru to be disbursed this year for agricultural, health, and education projects and to provide financial assistance to companies and customs, among others. (Madrid EFE in Spanish 1746 GMT 10 Apr 94)

Minister Backs Creation of World Trade Organization

PY1504155094 Lima Global de Television Network in Spanish 0130 GMT 15 Apr 94

[Text] Peruvian Prime Minister and Foreign Minister Efrain Goldenberg, who is in Morocco, today expressed optimism about the decision to create the World Trade Organization.

Goldenberg is heading the Peruvian delegation that is participating in the GATT conference. Goldenberg said that the World Trade Organization, which will be created after the conclusion of the GATT conference and will supervise world trade, is the outcome of the liberalization policy advocated by Peru.

Regarding the so-called social clause advocated by the United States and several European countries, Goldenberg was against mixing the labor jurisdiction of the International Labor Organization with the trade jurisdiction of the future World Trade Organization.

Uruguay

Official Denies UN Report of Money Laundering

PY1804230594 Madrid EFE in Spanish 2140 GMT 18 Apr 94

[Text] Montevideo, 18 Apr (EFE)—Uruguayan Interior Minister Raul Iturria today stressed that there is no evidence that this country is being used by international drug traffickers for the "laundering" of money, thus denying a recent UN report.

"There is no evidence that supports that report. This already has been denied by the Uruguayan Foreign Ministry and our intelligence services," the minister emphasized.

"There may be people who invest money that has come from not very ethical sources, but this does not allow for such a vehement assertion that Uruguay is a market where money is 'laundered,'" Iturria stressed.

"Ours is a country that was open to the entry of persons and capital long before drug trafficking with its current dimensions existed," the interior minister said in remarks to the Montevideo media.

Iturria indicated that during the past few months it has been the concern of Uruguayan authorities to equip the National Directorate for Drug Fighting with modern technical equipment, including materials and technicians from abroad.

The minister also indicated that the deputy secretary of the presidency himself, Pablo Garcia Pintos, is the coordinator of the National Antidrug Fight Board, which is charged with drafting policies to confront the trafficking and consumption of narcotics.

Bank secrecy is one of the fundamental values of Uruguay's financial center, but last year the Uruguayan Central Bank ordered that the industry's institutions must request and identify complementary information on those persons who deposit more than $10,000 in order to prevent eventual attempts at money "laundering."

Three years ago the Uruguayan courts granted the extradition to the United States of an Argentine citizen allegedly linked to Colombian drug traffickers who had ordered him to invest in real estate in Uruguay.

Minister Promotes Trade in Egypt, Morocco

PY1804184294 Montevideo EL PAIS in Spanish 9 Apr 94 p 15

[Text] Foreign Minister Sergio Abreu will sign a memorandum of commercial understanding with Egypt and a document formally closing the Uruguay Round of the GATT talks during a tour of African Mediterranean countries that he will begin this weekend.

The commercial agreement with Egypt will permit a broadening of Uruguay's export market, particularly in the area of agriculture.

Abreu said that a protocol is being finished to permit the export of Uruguayan meat to Egypt. Abreu added that he will take advantage of the opportunity to prepare President Luis Alberto Lacalle's trip to Egypt, which is scheduled for June.

The foreign minister will then travel to Marrakech, Morocco's capital, to participate in the formal closing of the Uruguay Round of GATT talks.

Abreu said that the GATT talks will formally conclude on 15 April, and that he will attend the closing ceremony as the Uruguay Round president.

The foreign minister also said that he held a meeting with representatives of the country's entrepreneurial chambers. Abreu said those meetings are routinely held in order to inform entrepreneurs of the international situation and the country's relations with other countries.

"Representatives of entrepreneurial chambers come to the Foreign Ministry once a month, and here they receive information about Mercosur [Common Market of the South] and GATT, the country's bilateral negotiations, and the call to Montevideo of Uruguayan trade attaches for the exchange of information," Abreu said.

The minister said his ministry has established this mechanism in order to coordinate the operation of the private and public sectors.

"We want the Foreign Ministry to become an instrument promoting the country's presence in the world. We want this ministry to become what we call Uruguay's grand multinational," Abreu concluded.